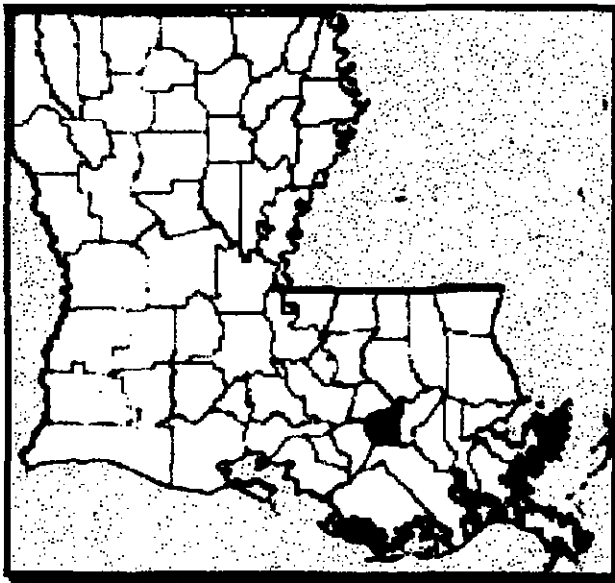


St. James Parish

SCHOOL BOARD

Lutcher, Louisiana



COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED
JUNE 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/6/11

St. James Parish SCHOOL BOARD

Lutcher, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

ALONZO R. LUCE, PH.D.
SUPERINTENDENT

PREPARED BY
JAMES D. MITCHELL
ADMINISTRATIVE DIRECTOR OF BUSINESS OPERATIONS

ST. JAMES PARISH SCHOOL BOARD
Lutcher, Louisiana

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
As of and for the Year Ended June 30, 2010

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ST. JAMES PARISH SCHOOL BOARD
Lutcher, Louisiana

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ST. JAMES PARISH SCHOOL BOARD
Lutcher, Louisiana

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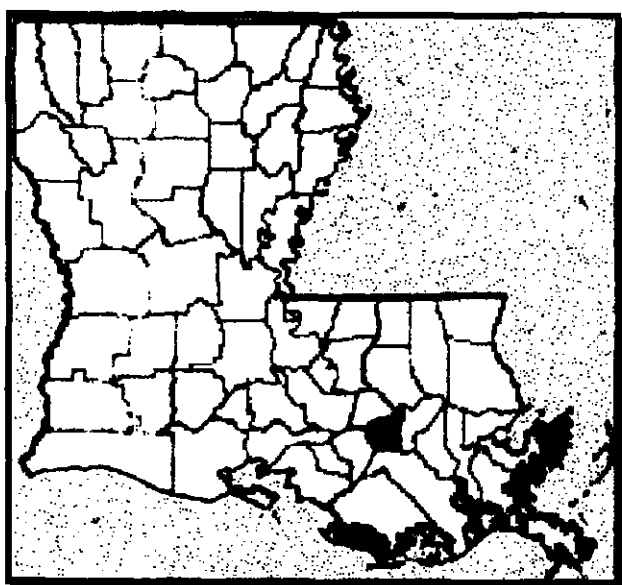
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St. James Parish

SCHOOL BOARD

Lutcher, Louisiana



INTRODUCTORY SECTION



St. James Parish School Board

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Superintendent

ACADEMIC SERVICES
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SCHOOL FOOD SERVICES
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January 6, 2011

To the Members of the
St. James Parish School Board
1876 West Main Street
Lutcher, Louisiana 70071

Louisiana law requires that certain entities of local government, including public school boards, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States, and audited in accordance with auditing standards generally accepted in the United States by a licensed certified public accountant or accounting firm. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the St. James Parish School Board (The Board), Lutcher, Louisiana, as of and for the fiscal year ended June 30, 2010.

This CAFR consists of management's representations concerning the finances of The Board. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented herein. To provide a reasonable basis for making these representations, management of The Board has established a comprehensive internal control framework that is designed to protect The Board's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of The Board's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, The Board's comprehensive framework of internal controls has been designed to provide reasonable but not absolute assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The CAFR is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes this transmittal letter, a list of principal officials, and The Board's organizational structure. The Financial Section includes the Independent Auditors' Report, the basic financial statements, required supplementary information including Management's Discussion and Analysis (MDA), and supplemental and other information. The Statistical Section contains selected financial and demographic data, generally presented for the past ten years.

The Board's financial statements have been audited by Postlethwaite & Netterville, APAC, a firm of licensed certified public accountants headquartered in Baton Rouge, Louisiana. The goal of the independent audit was to provide reasonable assurance that the financial statements of the St. James Parish School Board, Lutcher, Louisiana, as of and for the year ended June 30, 2010, are free from

-iv-

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material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that the St. James Parish School Board's financial statements for the fiscal year ended June 30, 2010, are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditors' report is presented as the first component of the financial section of this CAFR.

The independent audit of the financial statements of the St. James Parish School Board, Litcher, Louisiana, was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also in the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are available in The Board's separately issued Single Audit Report.

Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Board's MD&A can be found in the financial section immediately following the report of the independent auditors.

PROFILE

The twelve governing subdivisions of the original Louisiana territory were drawn along the same lines of the ecclesiastical subdivisions of the Roman Catholic Church and were known as "parishes." Following Louisiana's admission to the Union in 1812, state officials retained the term, and Louisiana thus became the only one of the 50 United States that does not use the term "county" for its political subdivisions.

St. James Parish, with the parish seat in Convent, is located roughly equidistant from Louisiana's state capitol of Baton Rouge and world-renowned New Orleans. Bisected by the Mississippi River, the 250-square mile parish is situated in the heart of the industrial corridor nurtured by one of the world's most important waterways. Approximately 150 miles from the mouth of the river and access to worldwide shipping commerce, St. James Parish's major economic activity has long centered around the agricultural, chemical and refining industries. Sugarcane is the foremost agricultural product and a major sugar refinery makes its home in St. James Parish. The parish boasts some 17 major chemical and refining complexes that serve as the parish's primary employers. Virtually all of these industries are on or have direct access to the Mississippi River. In the spring of 1995, State of Louisiana and St. James Parish officials opened Veterans Memorial Bridge, a span linking the east bank community of Gramercy and Wallace (St. John the Baptist Parish) on the west bank. The long-awaited opening of the bridge ended an historic era in St. James Parish with the closure of the Litcher-Vacherie ferry, the primary mode of citizen transportation across the river for almost a century. The bridge has had a positive economic impact on both retail and industrial activity in the parish and is helping to keep some tax dollars in St. James Parish that have been spent in surrounding parishes in years past.

The Board is a political subdivision created under the authority of Louisiana Revised Statutes and is charged with governing the provision of public education to the citizenry of St. James Parish, Louisiana. Services provided include instructional personnel, instructional materials and supplies, instructional facilities, administrative support, business services, operations and maintenance, pupil transportation,

and school food services. The Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for parish children, to determine the number of teachers to be employed and to determine the local supplement to their base salaries provided by the State of Louisiana. All government must be consistent with the laws of the State of Louisiana and the rules and regulations of the Louisiana Board of Elementary and Secondary Education (BESE), the governing authority of 70 school boards (64 parishes, six city school boards) and all charter schools in Louisiana.

The Board is made up of seven members elected from seven single member districts who serve four-year concurrent terms. The term of the current Board members expires on December 31, 2014. The Board elects from its membership one person to serve as the President. That person is authorized to represent The Board at various functions, name committee members, sign legally binding documents and checks, and preside at Board meetings. A Vice-President is also elected by the members to serve in the absence of the President.

The Board selects a person who meets BESE certification requirements to be the Superintendent of Schools. This person serves as the day-to-day administrator of the school system and performs all duties incumbent upon that office as specified in Title 17 of the Revised Statutes. State law also mandates that the Superintendent is the official Secretary and Treasurer of the school district.

The Board operates ten schools, two educational sites, and five support facilities throughout the parish. Some 600 full-time employees are employed by The Board, with approximately 400 of those directly involved in the instructional process. In conjunction with the regular education programs, The Board also offers pre-kindergarten, special education, vocational education, and adult education programs. The majority of the student population served is from low-income households with some 75 percent of the pupil base meeting federal qualification guidelines for free and reduced school meals.

The Board is considered a *primary government* under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*. As such, it is legally separate, has a *separately elected governing board*, and is *fiscally independent* of all other local governments. It has no component units as defined by this Statement, nor is it a component unit of any other government. In accordance with state law, The Board legally adopts annual budgets for its General Fund and Special Revenue Funds and effectively achieves budgetary control of other funds through bond covenants and Board-adopted construction contracts. Further information concerning budgetary practices can be found in the Notes to Basic Financial Statements in the Financial Section of the CAFR.

FACTORS AFFECTING FINANCIAL CONDITION

Through the Minimum Foundation Program (MFP), the state's basic equalization formula, and various other grants and programs, the State of Louisiana provided The Board some \$19.1 million in fiscal 2010, a decrease of some \$2 million from 2009. The decrease was reflective of significant budget cuts in all areas of state financial support and included reductions in MFP funding as well as a variety of other grant programs. State funding accounted for 39.7 percent of total General Fund revenues in 2010, down from the 43 percent funding level in 2009. The State of Louisiana is facing material budgetary shortfalls in the upcoming years and although 2010 MFP funding was approved as a zero-growth package, only the state's total outlay remained unchanged. The nuances of the MFP formula itself redistributed the same amount of 2009 funding in a much different manner to participating school systems. The Board's 2010 MFP allocation was reduced by roughly \$1.1 million and while the 2011 allocation has remained virtually the same, there is no reason for The Board to reasonably expect anything but continued decreases or at best, standstill funding levels from the state for the foreseeable future.

St. James Parish is unlike most of Louisiana's 69 other public school districts in its financial support structure. A total of \$27.5 million in locally-generated revenues produced some 58 percent of The Board's General Fund revenues in fiscal year 2010. The 58:42 local to state support ratio stands in stark contrast to the MFP's conceptual goal of 65:35 state to local funding.

Sales and use tax collections, until 2009 The Board's largest General Fund local revenue source, amounted to \$12.7 million in 2010 which approximated 2009 receipts. This collection level was down from the \$13.3 million in 2008, the largest figure ever recorded in St. James Parish. An upsurge in tax collections began early in 2005 and continued following Hurricanes Katrina and Rita, two of the most destructive and costly natural disasters in American history. While the parishes that suffered the brunt of Hurricane Katrina's devastation in August 2005 continue their struggle to regain their population and tax base, the majority of the surrounding southern region of Louisiana experienced the same post-Katrina tax revenue boom that St. James Parish has enjoyed. The recovery boom has subsided, but it remains the major factor in The Board's financial rebound from a General Fund fund balance of some \$700,000 in 2004 to the \$15.7 million reported in 2010.

St. James Parish has very little retail activity with approximately 90 percent of sales and use tax collections coming from the industrial sector. Industrial activity in the parish, which translates into critical tax revenue for The Board, is highly sensitive to natural resources and raw materials prices as well as worldwide supply and demand. As such, the financial condition of The Board is contingent on the vitality of the chemical and petrochemical industries.

Ad Valorem (property) tax collections in 2009 exceeded sales and use tax collections in the General Fund for the first time in the current financial era. Although The Board "rolled back" millage rates from 45.06 to 43.96 mills for the second consecutive year in 2010, continuous growth in the parish's total assessed valuation led to \$13.7 million in 2010 collections, up from the \$13.2 million reported in 2009. The 2010 increase is expected to be a one-time spike, however, due to an increase in personal property assessed valuation based on the spike in crude oil prices in 2008. With the return of crude oil prices to more normal market conditions in 2009, it appears that The Board will reap that windfall only in 2010.

The Board suffered some \$400,000 in various physical damages and losses from the 2005 visits of Hurricanes Katrina and Rita, the majority of which was recovered through Federal Emergency Management Agency (FEMA) funding. Three years later, south Louisiana was visited by another pair of very destructive late August / early September hurricanes, Gustav and Ike. The Board's damages and losses were much more significant in 2008 than 2005, primarily due to Gustav. Two heavily damaged facilities at Romeville Elementary School, one at Vacherie Elementary School, and various roofing system damages comprised the major facility issues that are still being addressed. While there were no insurance implications from the 2005 storms due to policy deductible levels, The Board has received some \$1.5 million in insurance proceeds during fiscal 2010 for the Gustav casualty losses and both sites currently have ongoing construction projects to replace the facilities that have since been demolished. The financial statements included herein also include some \$250,000 in emergency repair / replacement / renovation expenditures that represent the final non-major project recovery costs associated with Gustav. Some \$362,000 in FEMA disaster aid funding is also included in these financial statements in the Federal Revenues line item. All non-major recovery costs are reported in the General Fund while the Romeville Elementary School and Vacherie Elementary School construction projects are reported in the Capital Projects Fund. While The Board has received the afore-mentioned \$1.5 million in insurance proceeds for the undisputed portions of the facility damages, final disposition of the insurance claim is pending as of the date of this report.

LONG-TERM FINANCIAL PLANNING

The Board's three primary revenue sources are state MFP funding, local ad valorem tax collections, and sales and use tax collections. As previously discussed, all signs point to continued decreases in state funding; sales and use tax collections are showing signs of leveling off; and ad valorem taxes seemingly have plateaued for the immediate foreseeable future. Board administration has budgeted a deficit of some \$2 million for the 2011 budget year and the same could very well be applicable for 2012 and beyond. While The Board's current General Fund surplus will allow for a couple of years of deficits, that is not a viable long-term option should revenue decreases continue.

As with all school districts, the St. James Parish School Board's primary expenditures are employee salaries and related benefits. The Board has always strived to be a state leader in teacher pay and as of the 2009 rankings, St. James Parish ranked fourth in the state for beginning teacher pay. With state-funded pay raises, Board-approved pay raises funded from local sources, and routine annual step increases for each additional year of employee service, The Board's salary expenditures increase every year. As retirement contribution rates increase on a larger salary base and The Board maintains its strong commitment to the best available health care benefits for its employees, employee benefit costs will also increase annually.

The Board continued its ambitious classroom technology initiatives in 2010 with major ongoing infrastructure upgrades as well as its focus on classroom technology. Budgeted in fiscal year 2010, the third year of implementation of a one-to-one laptop computer program was not completed prior to the end of the fiscal year, however, those budgeted funds were expended prior to the start of the 2010-2011 school year and accordingly will be reflected in the 2011 financial statements. The program has now placed a laptop computer in the hands of every seventh, eighth, and ninth grade student in the system.

While other non-employee costs essential to the operation of a school system – maintenance, transportation, food service – continue to rise, The Board anticipates no major ebbs and flows in those categories that would immediately alter the scope of General Fund operations. Market-driven cost increases will certainly rearrange the use of Board resources from time to time, but will not force rearrangement of services delivered in the immediate term.

Capital outlay costs are a major variable from one year to the next in General Fund budgeting. With the parishwide building and improvement plan funded by the Series 2007 General Obligation Bonds in full swing, there are no major General Fund capital outlay projects on the horizon.

CASH MANAGEMENT POLICIES AND PRACTICES

The Board's and management's philosophy is to maximize the return on investments while minimizing the risk of loss resulting from investments. State law allows local governments to invest in U.S. Treasury obligations, instruments of certain federal agencies, bank certificates of deposit, certain commercial paper, and the Louisiana Asset Management Pool (LAMP), a short-term investment fund managed through the office of the State Treasurer. While there was not a material decrease in the amount of cash invested from 2009 to 2010, there was a precipitous drop in interest earnings as market rates virtually bottomed out. Interest earnings on invested cash have dropped from \$770,043 in 2008 to \$424,814 in 2009 to a relatively paltry \$39,803 in 2010.

RISK MANAGEMENT

The Board is partially self-insured for employee group health insurance and worker's compensation and carries third-party insurance coverage for excess group health, excess worker's compensation, property, vehicle liability, general liability, teacher liability, errors and omissions, and employee surety. The Board has limited deductible exposure on all policies, and has not had any settlement in excess of coverage in the past several years. Like everyone else in the commercial insurance market, The Board was impacted by the shock waves throughout the entire insurance industry following Hurricane Katrina in 2005. Larger deductibles, greater exclusions, and mushrooming costs characterized The Board's policies through 2008, however, policies purchased in 2009 and 2010 are indicating that the market is steadily returning to the pre-Katrina levels of normalcy.

PENSION AND OTHER POSTEMPLOYMENT BENEFITS

Board employees belong essentially to one of two statewide, cost-sharing, multiple employer retirement plans, the Teachers Retirement System of Louisiana (TRSL) and the Louisiana School Employee Retirement System (LSERS). The TRSL is open to all certified personnel, teacher aides, school clerical personnel, central office staff, and school lunch employees. Members may retire with as few as 20 years of service. The LSERS includes custodians, school bus drivers, and maintenance personnel. Members may retire at 20 years with a 2.5 percent benefit times the years of service times their highest average three years compensation. That credit rises to three percent per year for service in excess of 20 years. Retirees have some 80 percent of the cost of their health insurance paid by The Board. The cost varies depending on whether or not Medicare is their primary health insurance provider. Retirees may continue their life insurance benefits and dental insurance at their own cost.

AWARDS

Government Finance Officers Association (GFOA)

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the St. James Parish School Board for its Comprehensive Annual Financial Report for the year ended June 30, 2009. The certificate is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report. In order to be awarded this certificate, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate is valid for a period of one year only and 2009 was The Board's thirteenth such award. School Board administration believes that the 2010 Comprehensive Annual Financial Report continues to meet the certificate requirements, and as such, this report will be submitted to GFOA to determine its eligibility for another certificate.

Association of School Business Officials (ASBO)

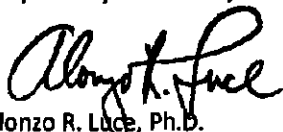
The St. James Parish School Board received the Association of School Business Officials *Certificate of Excellence in Financial Reporting* for the fiscal year ended June 30, 2009. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of

financial reporting as recommended and adopted by the Association of School Business Officials International. This is the thirteenth year that the St. James Parish School Board has been awarded this honor. The award is granted only after an intensive technical review of financial reports by an expert panel of certified public accountants and practicing school business officials. The *Certificate of Excellence in Financial Reporting* is the highest form of recognition in school financial reporting issued by ASBO. Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010, which will be submitted to ASBO for review, continues to meet the standards prescribed by ASBO.

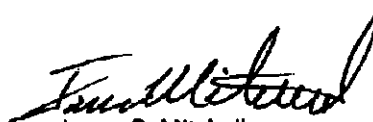
ACKNOWLEDGEMENTS

Preparation of this report would not have been possible without the daily efforts of the Office of Business Services staff, particularly those staff whose services directly result in the accurate recordation, summarization, and reporting of financial transactions. We would like to take this opportunity to express our sincere appreciation to those individuals. We also wish to thank the members of the St. James Parish School Board and the administration for their support in our efforts to maintain fiscal accountability and responsibility for the St. James Parish School Board and the citizens of St. James Parish, Louisiana.

Respectfully Submitted,



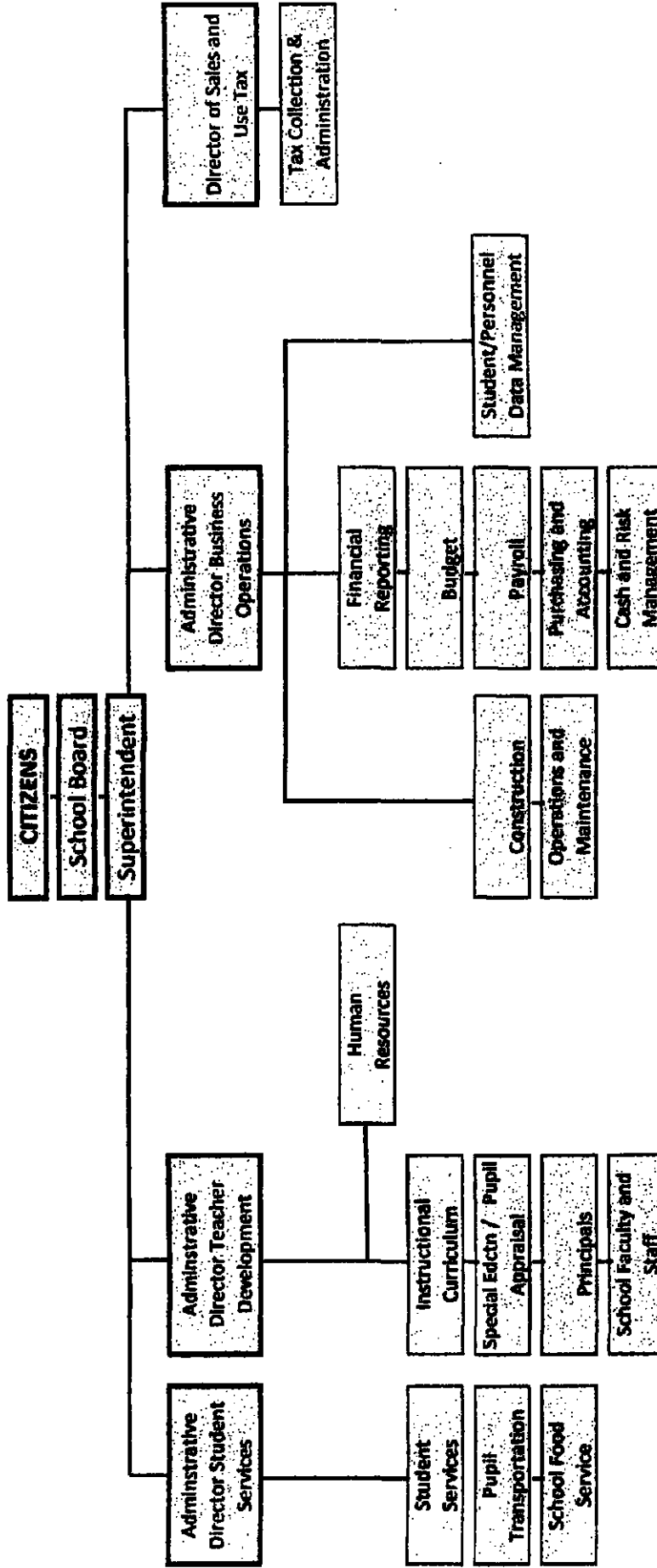
Alonzo R. Luce, Ph.D.
Superintendent



James D. Mitchell
Administrative Director
of Business Operations

ST. JAMES PARISH SCHOOL BOARD

Organizational Structure



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Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. James Parish School
Board, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

ST. JAMES PARISH SCHOOL BOARD

**For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2009**

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Evin Green

President

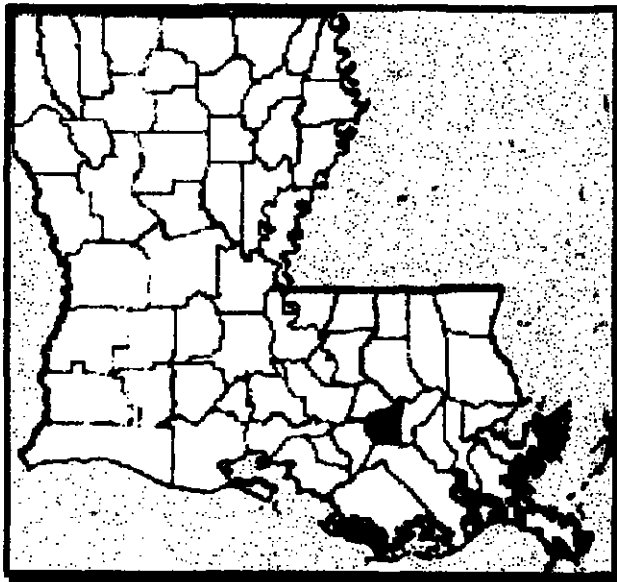
John D. Mueso

Executive Director

St. James Parish

SCHOOL BOARD

Lutcher, Louisiana



FINANCIAL SECTION

Independent Auditors' Report

The Members of the
St. James Parish School Board
Lutcher, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. James Parish School Board (the School Board), as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the St. James Parish School Board, as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2011, on our consideration of the St. James Parish School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 40-41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to those inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Pattithurath & Netturall

January 6, 2011

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

The Management's Discussion and Analysis of the St. James Parish School Board's financial performance presents a narrative overview and analysis of St. James Parish School Board's financial activities for the year ended June 30, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- The St. James Parish School Board's assets exceeded its liabilities by \$25,847,553 at the close of Fiscal Year 2010.
- Net assets increased by \$3,949,841 during Fiscal Year 2010.
- Ad Valorem tax collections totaled \$17,591,712, an increase of \$729,488 from the 2009 reported amount of \$16,862,224.
- Sales and use tax collections totaled \$12,736,822, an increase of \$47,679 compared to the \$12,689,143 collected in 2009.
- Expenditures and other financing uses decreased by \$4,267,578 in the General Fund during 2010, bringing the total to \$44,588,667. The 8.7 percent decrease from the 2009 amount of \$48,856,245 was fueled by three major factors – a reduction in staffing of some 30 full-time employees achieved primarily through attrition, decreased maintenance costs due to the completion of emergency repair and recovery work associated with Hurricane Gustav which hit in September 2008, and the delay of implementation of the one-to-one computer laptop program for the school system's ninth graders. Budgeted for fiscal year 2010, the implementation did not occur until July and August 2010 which did not impact the financial statements included herein.
- Cash and Cash Equivalents and Investments in the General Fund totaled \$17,336,131 on June 30, 2010, an increase of \$3,097,933 from the \$14,238,198 reported on June 30, 2009. The 21.8 percent increase was due primarily to insurance proceeds received and the General Fund's financial performance for the year as referenced in the paragraph above.
- The Board reported insurance proceeds of \$1,453,887 in the General Fund for monies received pursuant to claims for damage sustained from Hurricane Gustav in September 2008. Final disposition of the claim is pending as of the date of this report and it is expected that any future receipts will not exceed an additional \$200,000.

ST. JAMES PARISH SCHOOL BOARD

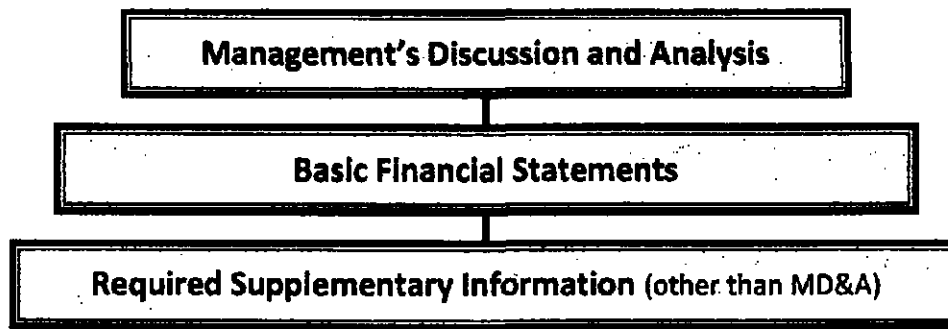
Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.



These financial statements consist of three sections – Management's Discussion and Analysis (this section), the basic financial statements (including the Notes to Basic Financial Statements), and required supplementary information.

Government-wide Financial Statements. The *Government-wide Financial Statements* are designed to provide readers with a broad overview of The Boards' finances, in a manner similar to private sector business.

The *Statement of Net Assets* presents information on all of The Board's assets and liabilities, with the difference between the two reported as *net assets*. Over times, increases or decreases in net assets may serve as a useful indicator of whether the financial position of The Board is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in nets assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements present functions of The Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The Board, which served some 4,000 students during the 2009-2010 school year, has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services,

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

such as a municipally owned utility system. The governmental activities of The Board included regular and special education programs, support services, administration, maintenance, student transportation, and school food services. The Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund Financial Statements. A *fund* is grouping of related accounts that are used to maintain control over the resources that have been segregated for specific activities or objectives. The Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of The Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a government's near term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of The Board's near-term financing decisions. Both the governmental fund balance and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Board maintains dozens of individual governmental funds. Information is presented separately in the government fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Projects Fund, which are considered The Board's major funds. The remaining funds are combined into a single, aggregated presentation under the label of other governmental funds, which contains all non-major funds. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The Board adopts annual appropriated budgets for the General Fund and Special Revenue Funds as required by state law. Budgets are not adopted for the Debt Service and Capital Projects Funds, which effectively achieve budgetary control through bond indenture provisions and Board-adopted construction plans. Accordingly, budget to actual comparisons were not prepared for these fund types.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support The Board's programs. The sole fiduciary fund of The Board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs and other activities.

ST. JAMES PARISH SCHOOL BOARD
Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

Notes to Basic Financial Statements. The notes provide additional information that is essential to a full and complete understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. Included therein are the combining statements referred to earlier in connection with non-major governmental funds. Additionally, under the title of *other supplementary information*, certain financial data on individual school activity funds, capital assets, and other required topics are presented.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously noted, net assets may serve over time as a useful indicator of a government's financial position. On June 30, 2010, The Board's assets exceeded liabilities by \$25,847,553, an increase of \$3,949,841 from the June 30, 2009 excess of \$21,897,712. Of the 2010 amount, \$11,317,460 (44 percent) is reflected its investment in capital assets (e.g. land, buildings and improvements, furniture, fixtures and equipment) less any related debts used to acquire those assets that remain outstanding. The Board uses these capital assets in the delivery of services to its students and citizens and consequently, these assets are not available for future spending. Although The Board's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate those related liabilities. Another component of The Board's net assets represents resources that are subject to external and legal restrictions on how those resources may be used (e.g. tax dedications, bond indenture provisions, construction contracts). Accordingly, \$11,824,907 of The Board's net assets are reported as restricted since they are not available for use except as provided for in the applicable legal agreements or tax propositions.

	NET ASSETS		
	2010	2009	Change
Current and Other Assets	\$ 30,630,501	\$ 31,269,564	\$ (639,063)
Land	1,370,231	1,230,581	139,650
Other Capital Assets, net of accumulated depreciation	29,807,230	27,927,969	1,879,261
TOTAL ASSETS	61,807,962	60,428,114	1,379,848
Current Liabilities	10,574,236	11,796,326	(1,222,090)
Long-Term Liabilities	25,386,173	26,734,076	(1,347,903)
TOTAL LIABILITIES	35,960,409	38,530,402	(2,569,993)
Net Assets:			
Invested in Capital Assets, net of related debt	11,317,460	12,000,770	(683,310)
Restricted	11,824,907	8,559,045	3,265,862
Unrestricted	2,705,186	1,337,897	1,367,289
TOTAL NET ASSETS	\$ 25,847,553	\$ 21,897,712	\$ 3,949,841

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

The Board's financial condition brightened considerably in 2010 compared to the results of 2009. The current \$3.9 million net assets increase came on the heels of a \$1.7 million decrease in 2009 that followed four consecutive years of increases in net assets. Notable changes in operational activity during 2010 impacting this increase were as follows:

- Following the 2008-2009 school year some 30 full-time positions, ranging from administrative personnel to school-based employees, were eliminated from the General Fund budget primarily through attrition. With an estimated salary and employee benefit cost of some \$65,000 per position, The Board reduced costs in the area of \$2 million with that staffing reduction.
- The delay of the one-to-one laptop computer implementation for the system's ninth-graders moved some \$1 million from the fiscal year 2010 budget into fiscal year 2011. The Board now has laptop computers in the hands of all seventh, eighth, and ninth-graders in the system.
- With the completion of emergency recovery due to Hurricane Gustav, such expenditures dropped from some \$1 million in 2009 to \$291,000 in 2010.

	<u>Changes in Net Assets</u>		
	<u>2010</u>	<u>2009</u>	<u>Change</u>
Revenues:			
Charges for Services	\$ 361,724	\$ 256,705	\$ 105,019
Operating grants	8,700,682	8,476,752	223,930
General Revenues:			
Sales and Use Taxes	12,736,822	12,689,143	47,679
Ad Valorem Taxes	17,591,712	16,862,224	729,488
Minimum Foundation Program (equalization)	16,938,681	18,108,607	(1,169,926)
Other	3,187,232	2,514,215	673,017
TOTAL REVENUES	59,516,853	58,907,646	609,207
Expenses:			
Instruction	30,033,293	32,942,025	(2,908,732)
Student and Staff Support	5,679,547	5,416,378	263,169
Administration	6,393,901	7,314,313	(920,412)
Plant Services	5,164,551	7,094,882	(1,930,331)
Pupil Transportation	2,734,010	2,819,756	(85,746)
Food Service	2,870,084	3,004,929	(134,845)
Debt Service	1,050,983	1,165,484	(114,501)
Other	1,640,643	842,106	798,537
TOTAL EXPENSES	55,567,012	60,599,873	(5,032,861)
INCREASE IN NET ASSETS	\$ 3,949,841	\$ (1,692,227)	\$ 5,642,068

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

FINANCIAL ANALYSIS OF THE BOARD'S FUNDS

As previously noted, The Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of The Board's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing The Board's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of fiscal 2010, The Board's governmental funds reported a combined ending fund balance of \$25,456,041, of which \$18,984,108 (75 percent) is reserved for specifically designated purposes. The General Fund, the chief operating fund of The Board, reported fund balance reservations of \$3,164,399 and \$3,487,912 that are restricted to expenditures for salaries and related benefits and capital outlay / operations and maintenance, respectively. Those two restrictions are pursuant to the sales tax propositions that provided that revenue. The Board also reported a reserved fund balance of \$2,552,486 for self-insurance plans providing employee group health insurance and worker's compensation coverage. The General Fund reported an unreserved fund balance of \$6,471,933 on June 30, 2010.

\$2,620,110 of the reserved fund balance is in the Debt Service Fund and is legally restricted to meeting long-term debt obligations from collections of ad valorem taxes approved by parish voters over the years while \$7,159,201 is reserved in the Capital Projects Fund for future construction and other capital expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes between the original and final expenditure budgets for the General Fund were significant and centered primarily around the staffing reduction previously addressed in this letter. On the revenue side, local taxation receipt projections were reduced and state sources were increased to accommodate a major grant program that was doubtful at the start of the fiscal year and therefore not budgeted. The budget variance in the federal revenue line item was due primarily to the insertion of American Reinvestment and Recovery Act (ARRA) funding into the state's basic equalization aid. Budgeted in the state revenue line item, the \$534,221 was reported in the federal revenue line item in the General Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Board's investment in capital assets on June 30, 2010 amounted to \$31,177,461 (net of accumulated depreciation). This investment includes land, buildings and improvements, furniture, fixtures and equipment and work-in-progress. A summary of capital assets at June 30, 2010 with comparative totals as of June 30, 2009 follows:

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

As of June 30, 2010

	<u>2010</u>	<u>2009</u>	<u>Change</u>
Land	\$ 1,370,231	\$ 1,230,581	\$ 139,650
Buildings and Improvements	64,192,878	56,709,508	7,483,370
Furniture, Fixtures, and Equipment	2,531,346	2,528,889	2,457
Work-In-Progress	204,089	4,492,909	(4,288,820)
Less Accumulated Depreciation	<u>(37,121,083)</u>	<u>(35,803,337)</u>	<u>(1,317,746)</u>
 TOTAL, net of depreciation	 \$ <u>31,177,461</u>	 \$ <u>29,158,550</u>	 \$ <u>2,018,911</u>

Additional information pertaining to capital assets and depreciation may be found in the Notes to Basic Financial Statements.

Long-Term Debt. On June 30, 2010, The Board reported outstanding bonded debt of \$25,280,002, a decrease of \$2,747,727 from the June 30, 2009 balance of \$28,027,729. There were no debt issuances during the year. The Board implemented Governmental Accounting Standards Board (GASB) Statement 45, *Accounting and Financial Reporting for Employers for Postemployment Benefits Other Than Pensions*, during the 2009 fiscal year and the 2010 reported obligation of \$2,993,898 reflected an increase of \$1,539,824 from the initial liability of \$1,454,074. Further information pertaining to long-term debt, including compensated absences, can be found in the Notes to Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In June 2010 The Board adopted a 2011 General Fund spending plan that called for the use of \$2.1 million from the \$15.7 million surplus to balance spending. With more state funding cuts looming and a slight decrease in forecasted local revenues for 2012 and beyond, The Board must be in a posture to trim costs should expected revenue trends materialize. In that vein, Board administration has assembled tentative plans for potential cost reductions in certain areas to alleviate the potential anticipated deficits. With the \$15.9 million construction plans funded by the 2007 bond issue in progress, The Board should be in outstanding shape from a facilities standpoint for the foreseeable future, thereby relieving the General Fund of major capital obligations. The Board's General Fund surplus is sufficient to absorb budgetary shortfalls for the immediate time frame, but the lack of any significant revenue increases within the next couple of budget years will necessitate a revision of the scope of services offered in order to more closely align current expenditures with current revenues.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of The Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in the CAFR or requests for additional financial information should be addressed to Mr. James D. Mitchell, Administrative Director of Business Operations, St. James Parish School Board, P.O. Box 338, Lutcher, Louisiana, 70071 or to his email address, jmitchell@stjames.k12.la.us.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

STATEMENT OF NET ASSETS

June 30, 2010

Statement A

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$	5,113,699
Investments		22,990,400
Receivables		2,476,805
Inventory		6,688
Other Assets		42,909

Total Current Assets 30,630,501

Non-Current Assets:

Land		1,370,231
Capital Assets, net of accumulated depreciation		29,807,230

Total Non-Current Assets 31,177,461

TOTAL ASSETS \$ 61,807,962

LIABILITIES:

Current Liabilities:

Accounts, Salaries, and Other Payables	\$	5,174,460
Interest Payable		420,409
Compensated Absences Payable		2,091,640
Current Portion of Long-Term Liabilities		2,887,727

Total Current Liabilities 10,574,236

Non-Current Liabilities:

Bonded Indebtedness		22,392,275
Other Post-Employment Benefits		2,993,898

Total Non-Current Liabilities 25,386,173

TOTAL LIABILITIES 35,960,409

NET ASSETS:

Invested in Capital Assets, net of related debt	11,317,460
Restricted for:	
Debt Service	2,620,110
Salaries	3,164,399
Capital Outlay / Operations and Maintenance	3,487,912
Self-Insurances	2,552,486
Unrestricted	<u>2,705,186</u>

TOTAL NET ASSETS \$ 25,847,553

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement B

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2010

				NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS GOVERNMENTAL ACTIVITIES 2010
		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	
<u>FUNCTIONS / PROGRAMS:</u>				
Governmental Activities:				
Instruction:				
Regular Programs	\$ 18,871,543	\$ -	\$ 1,092,257	\$ (17,779,286)
Special Programs	5,464,718	-	1,090,171	(4,374,547)
Vocational Programs	1,305,349	-	61,665	(1,243,684)
All Other Programs	4,391,683	-	2,166,643	(2,225,040)
Support Services:				
Pupil Support	2,653,701	-	1,113,895	(1,539,805)
Instructional Staff Support	3,025,846	-	750,780	(2,275,066)
General Administration	2,783,247	-	13,698	(2,769,549)
School Administration	3,023,668	-	40,439	(2,983,229)
Business Services	586,986	-	10,315	(576,671)
Plant Services	5,164,551	-	391,603	(4,772,948)
Pupil Transportation	2,734,010	-	107,689	(2,626,321)
Central Services	901,997	-	42,880	(859,117)
Food Services	2,870,084	361,724	1,812,953	(695,407)
Community Services	15,866	-	5,694	(10,172)
Capital Outlay	722,780	-	-	(722,780)
Interest on Long-Term Debt	1,050,983	-	-	(1,050,983)
Total Governmental Activities	55,567,012	361,724	8,700,682	(46,504,606)
Taxes:				
Property taxes, levied for general purposes				13,712,792
Property taxes, levied for debt service				3,878,920
Sales and use taxes, levied for general purposes				12,736,822
State revenue sharing				88,335
Grants and contributions not restricted to specific purposes:				
Minimum Foundation Program				16,938,681
Interest and Investment earnings				39,803
Miscellaneous				3,059,094
Total General Revenues and Special Items				50,454,447
Increase in net assets				3,949,841
Net Assets - beginning of year				21,897,712
NET ASSETS - END OF YEAR				\$ 25,847,553

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement C

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2010

With Comparative Totals for June 30, 2009

	MAJOR FUNDS		NON-MAJOR FUNDS	2010	2009
	GENERAL	CAPITAL PROJECTS			
ASSETS					
Cash and Cash Equivalents	\$ 2,344,531	\$ -	\$ 2,769,168	\$ 5,113,699	\$ 4,255,299
Investments	14,991,600	7,998,800	-	22,990,400	24,085,390
Receivables	1,509,428	-	967,377	2,476,805	2,815,193
Interfund Receivables	956,097	-	-	956,097	1,117,381
Inventory	-	-	6,688	6,688	70,324
Other Assets	42,909	-	-	42,909	43,358
TOTAL ASSETS	\$ 19,844,565	\$ 7,998,800	\$ 3,743,233	\$ 31,586,598	\$ 32,386,945
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts, Salaries, and Other Payables	\$ 4,167,835	\$ 527,381	\$ 479,244	\$ 5,174,460	\$ 6,286,981
Interfund Payables	-	312,218	643,879	956,097	1,117,381
Unearned Revenue	-	-	-	-	278,381
Total Liabilities	4,167,835	839,599	1,123,123	6,130,557	7,682,743
Fund Balances:					
Reserved for:					
Debt Service	-	-	2,620,110	2,620,110	2,497,993
Salaries	3,164,399	-	-	3,164,399	2,520,354
Capital Outlay / Maintenance	3,487,912	7,159,201	-	10,647,113	12,913,866
Self-Insurances	2,552,486	-	-	2,552,486	1,496,781
Unreserved:					
Undesignated	6,471,933	-	-	6,471,933	5,275,208
Total Fund Balances	15,676,730	7,159,201	2,620,110	25,456,041	24,704,202
TOTAL LIABILITIES AND FUND BALANCES	\$ 19,844,565	\$ 7,998,800	\$ 3,743,233	\$ 31,586,598	\$ 32,386,945

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement D

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets June 30, 2010

Total Fund Balances at June 30, 2010 - Governmental Funds		\$	25,456,041
Cost of capital assets at June 30, 2010	\$	68,298,544	
Less: Accumulated Depreciation as of June 30, 2010:			
Buildings		(34,958,706)	
Furniture, Fixtures, and Equipment		(2,162,377)	
			31,177,461
Long-Term Liabilities at June 30, 2010:			
Compensated Absences Payable		(2,091,640)	
Bonds Payable		(25,280,002)	
Other Post-Employment Benefits		(2,993,898)	
Accrued Interest Payable		(420,409)	
			(30,785,949)
NET ASSETS AT JUNE 30, 2010		\$	<u>25,847,553</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement E

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2010

With Comparative Totals for the Year Ended June 30, 2009

	MAJOR FUNDS		NON-	TOTALS	
	GENERAL	CAPITAL PROJECTS	MAJOR FUNDS	2010	2009
REVENUES					
Local Sources:					
Taxes: Ad Valorem	\$ 13,712,792	\$ -	\$ 3,878,920	\$ 17,591,712	\$ 16,862,224
Sales and Use	12,736,822	-	-	12,736,822	12,689,143
Charges for Services	-	-	361,724	361,724	256,705
Interest Earnings	20,709	18,367	727	39,803	424,814
Other	1,015,425	-	-	1,015,425	759,501
Total Local Sources	27,485,748	18,367	4,241,371	31,745,486	30,992,387
State Sources:					
Minimum Foundation Program	17,472,902	-	-	17,472,902	18,108,607
Other	1,294,661	-	330,056	1,624,717	3,017,697
Total State Sources	18,767,563	-	330,056	19,097,619	21,126,304
Federal Sources	1,005,433	-	6,327,542	7,332,975	6,788,955
TOTAL REVENUES	47,258,744	18,367	10,898,969	58,176,080	58,907,646
EXPENDITURES					
Current:					
Instruction:					
Regular Programs	17,297,017	-	726,673	18,023,690	20,438,284
Special Programs	4,278,492	-	973,496	5,251,988	5,015,407
Vocational Programs	1,215,671	-	47,244	1,262,915	1,226,998
All Other Programs	2,478,375	-	1,818,592	4,296,967	5,046,204
Support Services:					
Pupil Support	2,107,601	-	470,024	2,577,625	2,414,121
Instructional Staff Support	2,338,328	-	586,690	2,925,018	2,827,775
General Administration	1,593,828	5,000	130,340	1,729,168	1,652,270
School Administration	2,886,142	-	-	2,886,142	2,758,347
Business Services	553,098	-	-	553,098	561,292
Plant Services	5,045,818	-	-	5,045,818	5,732,620
Pupil Transportation	2,549,485	-	48,634	2,598,119	2,682,798
Central Services	834,272	-	38,664	872,936	1,132,124
Food Services	-	-	2,851,524	2,851,524	2,987,420
Community Services	15,866	-	-	15,866	3,967
Capital Outlay	351,315	3,724,115	-	4,075,430	5,919,928
Debt Service:					
Principal Retirement	252,727	-	2,495,000	2,747,727	2,622,727
Interest and Bank Charges	31,907	-	1,132,190	1,164,097	1,278,598
TOTAL EXPENDITURES	43,829,942	3,729,115	11,319,071	58,878,128	64,300,880

(Continued)

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement E

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures and Changes in Fund Balances For the Year Ended June 30, 2010

With Comparative Totals for the Year Ended June 30, 2009

	<u>MAJOR FUNDS</u>		<u>NON- MAJOR FUNDS</u>	<u>TOTALS</u>	
	<u>GENERAL</u>	<u>CAPITAL PROJECTS</u>		<u>2010</u>	<u>2009</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	3,428,802	(3,710,748)	(420,102)	(702,048)	(5,393,234)
OTHER FINANCING SOURCES (USES):					
Insurance Proceeds	1,453,887	-	-	1,453,887	-
Interfund Transfers In	216,506	-	758,725	975,231	1,276,021
Interfund Transfers Out	(758,725)	-	(216,506)	(975,231)	(1,276,021)
TOTAL OTHER FINANCING SOURCES / (USES)	911,668	-	542,219	1,453,887	-
NET CHANGES IN FUND BALANCES	4,340,470	(3,710,748)	122,117	751,839	(5,393,234)
FUND BALANCES - BEGINNING	11,336,260	10,869,949	2,497,993	24,704,202	30,097,436
FUND BALANCES - ENDING	<u>\$ 15,676,730</u>	<u>\$ 7,159,201</u>	<u>\$ 2,620,110</u>	<u>\$ 25,456,041</u>	<u>\$ 24,704,202</u>

Concluded

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement F

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities For the Year Ended June 30, 2010

Total Net Changes in Fund Balances for the year ended June 30, 2010	\$ 751,839
Add: Capital Outlay which is considered expenditures on Statement E	3,352,650
Less: Depreciation Expense for the year ended June 30, 2010	(1,324,543)
Less: Loss on Disposal of General Fixed Assets	(9,196)
Add: Bond Principal Retirement which is considered an expenditure on Statement E	2,747,727
Less: Excess of Compensated Absences earned over Compensated Absences used	(28,812)
Less: Increase in Other Post-Employment Employee Benefits	<u>(1,539,824)</u>
TOTAL CHANGES IN NET ASSETS, for year ended June 30, 2010, per Statement B	\$ <u><u>3,949,841</u></u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Statement G

FIDUCIARY FUND

Statement of Fiduciary Assets and Liabilities
June 30, 2010

ASSETS

Cash and Cash Equivalents

\$ 474,711

TOTAL ASSETS

\$ 474,711

LIABILITIES

Deposits Due Others

\$ 474,711

TOTAL LIABILITIES

\$ 474,711

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Introduction

The St. James Parish School Board (The Board) is a political subdivision of the State of Louisiana. It was created by Louisiana Statutes Annotated Revised Statute (LSA-R.S.) 17:51 to provide public education for the children of St. James Parish. The Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The Board is composed of seven members elected concurrently from seven single-member districts for terms of four years. The terms of the current Board members expire on December 31, 2014.

The Board operated ten schools, two educational sites, a Central Office, and five support facilities within the Parish and served an enrollment of some 4,000 students. In conjunction with the regular educational programs, all or some schools offer special education, vocational education, and / or adult education classes. The Board also operates an Alternative Center, which serves those students that opt for this educational opportunity in lieu of expulsion from the system. In addition to these educational services, The Board provides transportation and food service for its students.

B. Basis of Presentation

The financial statements of The Board have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued its *Codification of Governmental Accounting and Financial Reporting Standards* dated June 30, 2002. This Codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments in the United States.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999. This is the eighth year The Board’s financial statements have been prepared in conformity with GASB Statement No. 34.

C. Reporting Entity

GASB Statement No. 14, *The Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, establish criteria for determining the governmental reporting entity and component units, which should be included within the reporting entity. Under provisions of these Statements, The Board is considered a *primary government* since it is a single purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, the term “fiscally independent” means that The Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Board has no *component units*, defined by GASB Statement Nos. 14 and 39 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which The Board has a significant relationship.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

D. Government-Wide and Fund Financial Statements

Under GASB Statement No. 34, the government-wide financial statements (i.e. the statements of net assets and the statement of changes in net assets) report information on all the non-fiduciary activities of The Board. For the most part, the effect of interfund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: 1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a given function, and 2) grants that are restricted to meeting the operational or capital requirements of a particular function. Taxes or other items not properly included among program revenues are reported instead as *general revenues*. Separate financial statements are provided for the governmental funds and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales and use taxes are recognized as revenues when collected. Grants and similar items, including the state Minimum Foundation Program (MFP) distribution are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, The Board considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, sales and use taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available when cash has been received by The Board. All governmental funds of the Board follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinion, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

The Board reports the following *major funds*:

The **General Fund** is The Board's primary operating fund. It accounts for all financial resources of The Board, except those required to be accounted for in another fund.

The **Capital Projects Fund** is used to account for construction and other capital outlay expenditures funded by The Board's December 2007 \$15.9 million bond issue proceeds.

Fiduciary fund activity reported herein consists entirely of the receipts and disbursements of school activity funds that are maintained at each school site under the administration of the school principal.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

F. Assets, Liabilities, and Net Assets or Equity

1) Deposits and Investments

Cash and cash equivalents are considered to be cash on hand, interest-bearing demand deposits, and short-term investments (usually time certificates of deposit), including investments in the Louisiana Asset Management Pool (LAMP). All of these cited instruments are considered cash equivalents, as long as their original maturities are of three months or less from the date of acquisition. Also, certificates of deposit having a maturity date in excess of three months are considered cash equivalents if they are covered by federal deposit insurance.

State statutes authorize The Board to invest in United States Treasury Securities (e.g. treasury bills), or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Public entities in Louisiana are also authorized to invest in the LAMP, a non-profit corporation organized under Louisiana law and operated by the State Treasurer as a local government investment pool. Since LAMP investments may be liquidated in whole or in part at any time at par, the cost of LAMP investments is also the fair market value of the investments.

2) Receivables and Payables

Activity between funds that indicates lending or borrowing arrangements outstanding at the end of the fiscal year is referred to as "Interfund Receivables / Payables". There is an assumed obligation on the part of the borrowing fund to repay that amount to the lending fund.

3) Ad Valorem Taxes

Ad valorem (property) taxes were levied by The Board on September 8, 2009, based on assessed valuation of property as of January 1, 2009. These taxes become due and payable on November 15 of each year, and become delinquent after December 31 of the year levied. However, before the taxes can be collected, the assessment list (i.e. tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed with the St. James Parish Clerk of Court's Office, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the 31st day of December of the current year for the payment of the taxes due thereon. Over 98% of ad valorem taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the St. James Parish Tax Collector, which is a division of the St. James Parish Sheriff's Office (in Louisiana, the Sheriff's Office is the legally authorized collection agency for property taxes in each parish). If taxes are not paid within the time stipulated in the public notice, the property is sold for taxes due at a tax sale, usually held prior to the end of The Board's fiscal year. Consequently, any taxes left unpaid at June 30 of each year are usually immaterial. The Board authorized and levied the following ad valorem taxes on the 2009 tax rolls:

<u>Parishwide Taxes</u>	<u>Authorized Mills</u>	<u>Levied Mills</u>
Constitutional	4.02	3.89
Maintenance	6.04	5.85
Salaries and Benefits 1994	6.00	5.81
Salaries and Benefits 1997	9.00	8.72
Early Childhood Development 1997	3.00	2.91
Salaries and Benefits 2003	7.00	6.78
Debt Service	10.00	10.00

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

Under the Louisiana Constitution, ad valorem taxes other than the Constitutional Tax must be renewed by popular vote every ten (10) years. The bonded indebtedness tax (Debt Service) remains in effect until all bond principal, interest and associated fees have been paid in full.

4) Sales and Use Taxes

The Board is authorized to collect a two and one-half (2.5) percent sales and use tax within St. James Parish. The first one percent, approved by parish voters on August 17, 1965, is dedicated to the payment of teacher salaries and / or operation of the public schools in St. James Parish. The next one percent, approved by voters on January 17, 1981, is dedicated for two purposes, with 60 percent of the proceeds used for the payment of salaries of teachers and other school employees and the remaining 40 percent used for operations and maintenance costs and / or capital improvements to the public schools of the parish. The additional one-half percent was approved by parish voters in May 2003 for employee salaries and or operation of the public schools. The Board is also authorized to collect a one percent sales and use tax levied by the St. James Parish Council (The Council). The Board imposes a collection fee based on the pro-rata share of administrative and collections costs attributable to the sales and use tax collected on behalf of The Council. Collection and distribution of taxes, as well as collection fees, are accounted for in the General Fund. All sales and use taxes are levied in perpetuity and do not require renewal by parish voters.

5) Inventories

Inventories of the School Food Service Special Revenue Fund consist of food purchased by The Board and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at cost using the "first-in, first-out" (FIFO) method. Costs are recorded as expenditures at the time the individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA, also on a FIFO basis.

6) Other Assets

Other Assets consist entirely of prepaid insurance policies covering periods subsequent to June 30, 2010. Costs are recorded as expenditures as the life of the policies are exhausted (consumption method).

7) Capital Assets

Capital assets, which include land, buildings and improvements, and furniture, fixtures, and equipment, are reported in the government-wide financial statements. Capital assets are not subject to depreciation unless they cost \$5,000 or more on an individual basis and have an estimated useful life of five or more years. The reporting threshold of \$5,000 is up from \$1,000 based on guidelines promulgated by The Board's primary oversight agency, the Louisiana Department of Education. Items costing less than \$5,000 are "expensed" at the time of purchase rather than depreciated. Depreciable assets do not have an assigned salvage value since any such amount would generally be immaterial. However, for purposes of insurance and maintaining an accountability of items generally subject to theft or misuse, The Board keeps a separate inventory of those particular items not meeting the dollar and useful life threshold but having "street value" (e.g., televisions, computers, VCR's, DVD players, etc.)

Capital assets purchased or constructed are recorded at historical cost, or, estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over useful

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

lives of 5 to 15 years for furniture, fixtures, and equipment and up to 40 years for buildings and improvements. The Board does not possess any material amounts of infrastructure assets, such as sidewalks and parking lots. Amounts expended prior to June 30, 2002 for such items were considered to be part of the cost of the buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and are material in relation to the class of assets, they will be capitalized and depreciated.

8) Compensated Absences

Sick Leave - Teachers and other school employees accrue ten days of sick leave per year, which may be accumulated without limitation. Upon death or retirement, however, unused accumulated sick leave of a maximum of 25 days is paid to employees or their heirs at the employee's current rate of pay. The accrual computation for earned sick leave is calculated on, or any portion thereof, a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Under the Teachers Retirement System of Louisiana (TRSL), the total unused sick leave (including any amount which may be compensated as mentioned above), is used in retirement benefit calculations as earned service for leave earned prior to July 1, 1988. For sick leave earned after June 30, 1988 under the TRSL and for sick leave earned under the School Employees Retirement System (LSERS), all unpaid sick leave, which excludes the above state compensated days, is used in retirement benefit computations as earned service. Sick leave may be accumulated without limitation and is earned on a June 30 fiscal year basis. Certified employees may carry their accumulated sick leave from one public school district to another public school district in Louisiana. Amounts reported as compensated absences include only the salary component and not related benefits (e.g., the Medicare portion of social security), since any such benefit amounts would be immaterial.

Vacation - Full-time employees who work 12-month schedules are granted vacations in varying amounts as established by Board policy. Vacation time cannot be carried forward into a succeeding fiscal year and in the event of termination, an employee receives salary and related benefit compensation for any unused earned vacation.

Sabbatical Leave - Any employee with a teaching certificate is entitled to one semester of sabbatical leave after three or more years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Unused sabbatical leave may be carried forward to one or more periods subsequent to that in which it is earned, but not more than two semesters of leave may be accumulated. Sabbatical leave does not vest. Sabbatical leave may only be taken for rest and recuperation (with a doctor's approval) or for professional and cultural improvement. Persons on sabbatical leave are paid 65 percent of their daily rate of pay for the number of days they are on sabbatical leave. Although Board policy concerning sabbatical leave is determined by state law, The Board must still approve all sabbatical leave. According to the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, sabbatical leave that involves professional and cultural improvement provides a continuing benefit to The Board and should not be accrued. Sabbatical leave granted for rest and recuperation is essentially considered an extended sick leave benefit and should not be accrued as sabbatical leave benefits. Accordingly, sabbatical leave benefits are recorded as current expenditures in the period the leave is taken and are not reflected as a liability on the government-wide financial statements.

9) Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the life of the related debt.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

In the fund financial statements, governmental fund types recognize bond premium or discount, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as "Other Financing Sources" while discounts on debt issuances are reported as "Other Financing Uses". Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as an Other Financing Use in the Debt Service Fund.

10) Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

11) Comparative Data / Reclassifications

Comparative data for prior years have been presented in fund financial statements in order to facilitate the making of comparisons between years and to reconcile changes in financial position from year-to-year. Also, certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

12) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses / expenditures during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Board follows these procedures in establishing the budgetary data contained in the financial statements.

Prior to September 15 of each year, The Superintendent submits to The Board proposed annual budgets for the General Fund and all Special Revenue Funds for the fiscal year commencing the prior July 1. The General Fund budget includes all proposed general operational expenditures and the means of financing those expenditures. With the exception of the School Food Service program, all Special Revenue Funds budgets are based on grantor-approved project applications. The School Food Service program is reimbursed by state and federal grantors based on the number of meals served during the year and as such, proposed expenditures and the means of financing the proposed expenditures are budgeted in a manner similar to the proposed General Fund budget. In accordance with state law, a summary of the proposed budgets is published in The Board's Official Journal and The Board makes the proposed budgets available for public inspection. After a public hearing(s), The Board then acts on the proposed budgets, and through the adoption process, legally appropriates funding for the fiscal year in accordance with the adopted budgets.

Formal budgetary integration is employed as a management control device for the General Fund and the Special Revenue Funds. Formal budgetary integration is not employed for the Debt Service and Capital Projects Funds,

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

which effectively achieve budgetary control through bond indenture provisions and Board-adopted construction plans, respectively.

The General Fund budget and Special Revenue Funds budgets as adopted are prepared on a modified accrual basis of accounting. All appropriations lapse at the end of the fiscal year, and any material current year transactions directly related to the prior year's budget are rebudgeted in the current year. All budgets are prepared and presented in accordance with the provisions of the Louisiana Uniform Accounting Guide and Handbook (Bulletin 1929) issued by the Louisiana Department of Education. The legal level of budgetary control is set at the fund level.

State law mandates that governmental units must revise their budgets when projected revenues decrease five percent from original budget amounts and when projected expenditures increase five percent from original budget amounts. Budgets included in this report are presented as originally adopted adjusted for revisions adopted by The Board during the fiscal year. Significant revenue revisions to the General Fund budget during the year included decreases in local tax revenues and federal emergency aid and an increase in state grant funding. Budgeted expenditures decreased in the instructional categories primarily due to staffing reductions and increased in the maintenance area due to continued repair and replacement costs associated with the recovery from Hurricane Gustav as well as some deferred maintenance projects that were undertaken.

Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are generally immaterial to the General fund budget and are reported as reservations of fund balances (if material) since they do not constitute expenditures or liabilities. As goods and services are subsequently received and contracts are executed, liabilities and expenditures are recorded and the related encumbrances are liquidated.

III. DETAILED NOTES ON ALL FUNDS

A. Equity in Pooled Cash, Deposits and Investments

1. Equity in Pooled Cash

The Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the financial statements as "Cash" while negative book cash balances are reflected as "Interfund Payables."

2. Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, The Board's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2010, \$4,689,884 of The Board's bank balance was not exposed to custodial credit risk. Securities that may be pledged as collateral consist of obligations of the U.S. government and its agencies and obligations of the State of Louisiana and its municipalities and school districts.

3. Investments

The Board adopted Governmental Accounting Standard Board Statement No. 40, *Deposit and Investment Risk Disclosures*, during the fiscal year ended June 30, 2005. As of June 30, 2010, The Board had the following investments and maturities:

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

Investment Maturities (in Years)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
<i>U.S. Agencies:</i>				
General Fund	\$ 14,991,600	\$ 14,991,600	\$ -	\$ -
Capital Projects Fund	<u>7,998,800</u>	<u>7,998,800</u>	<u>-</u>	<u>-</u>
Total Investments	\$ <u>22,990,400</u>	\$ <u>22,990,400</u>	\$ <u>-</u>	\$ <u>-</u>

Interest Rate Risk – The Board does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Under Louisiana R.S. 33:2955, as amended, The Board may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP) and other investments as provided in the statute. The Board has no investment policy that would further limit its investment choices. As of June 30, 2010, The Board's investment in U.S. Agencies was rated AAA by Moody's Investors Service.

Concentration of Credit Risk – The Board places no limit on the amount The Board may invest in any one issuer. All of The Board's investments are in U.S. Treasury Notes. More than five percent of The Board's investments are in securities issued by the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association. These investments represent 17%, 9%, and 74%, respectively, of The Board's investments.

B. Receivables

The receivables of \$ 2,476,805 on June 30, 2010 consisted of the following:

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>TOTALS</u>
Federal Grants	\$ 353,133	\$ 961,622	\$ 1,314,755
State Grants	785,460	5,755	791,215
Local Grants / Other	370,835	-	370,835
TOTALS	\$ <u>1,509,428</u>	\$ <u>967,377</u>	\$ <u>2,476,805</u>

C. Capital Assets

Capital asset and depreciation activity as of and for the year ended June 30, 2010 is as follows:

ST. JAMES PARISH SCHOOL BOARDLutcher, Louisiana**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2010

	Land	Buildings and Imprvmts	Furniture, Fixtures & Equipment	Work in Progress	TOTALS
Cost, July 1, 2009	\$ 1,230,581	\$ 56,709,508	\$ 2,528,889	\$ 4,492,909	\$ 64,961,887
Additions	139,650	7,483,370	18,450	204,089	7,845,559
Deletions	-	-	15,993	4,492,909	4,508,902
Cost, June 30, 2010	\$ <u>1,370,231</u>	\$ <u>64,192,878</u>	\$ <u>2,531,346</u>	\$ <u>204,089</u>	\$ <u>68,298,544</u>
Depreciation:					
Accumulated, July 1, 2009	\$ -	\$ 33,746,383	\$ 2,056,954	\$ -	\$ 35,803,337
Additions	-	1,212,323	112,220	-	1,324,543
Deletions	-	-	6,797	-	6,797
Accumulated, June 30, 2010	\$ <u>-</u>	\$ <u>34,958,706</u>	\$ <u>2,162,377</u>	\$ <u>-</u>	\$ <u>37,121,083</u>
Capital Assets, net of Accumulated					
Depreciation, June 30, 2010	\$ <u>1,370,231</u>	\$ <u>29,234,172</u>	\$ <u>368,969</u>	\$ <u>204,089</u>	\$ <u>31,177,461</u>

Depreciation expense of \$ 1,324,543 for the year ended June 30, 2010 was charged to the following government functions:

Instruction:

Regular Programs	\$ 117,313
Special Programs	34,184
Vocational Programs	8,220
All Other Programs	27,968

Support Services:

Pupil Support	16,777
Instructional Staff Support	19,038
General Administration	1,004,662
School Administration	18,785
Business Services	3,600
Plant Services	32,842
Pupil Transportation	16,911
Central Services	5,683
Food Services	18,560

TOTAL \$ 1,324,543

D. Accounts, Salaries, and Other Payables

The payables of \$ 5,174,460 on June 30, 2010 consisted of the following:

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

	General Fund	Capital Projects Fund	Non-Major Governmental Funds	TOTALS
Accounts	\$ 514,793	\$ 98,644	\$ 64,522	\$ 677,959
Salaries and Benefits	3,130,908	-	414,722	3,545,630
Contracts	-	428,737	-	428,737
Worker's Comp Accrued Claims	155,177	-	-	155,177
Health Insurance Accrued Claims	366,957	-	-	366,957
TOTALS	\$ 4,167,835	\$ 527,381	\$ 479,244	\$ 5,174,460

E. Interfund Receivables, Payables, and Transfers

Amounts of interfund receivables and payables at June 30, 2010 and interfund transfers for the year then ended are as follows:

Interfund Balances and Activity				
	Receivables	Payables	Transfers In	Transfers Out
General Fund	\$ 956,097	\$ -	\$ 216,506	\$ 758,725
Capital Projects Fund	-	312,218	-	-
Non-Major Governmental Funds:				
NCLB Title I	-	204,907	-	74,239
NCLB Title II	-	28,320	-	9,937
NCLB Title IV	-	4,813	-	327
NCLB Title VI	-	60,498	-	1,877
Ensuring Literacy for All	-	5,755	81,878	321
NCLB IDEA	-	291,482	-	77,154
TLTC	-	32,435	-	37,361
Vocational Education	-	3,807	-	-
TANF After School for All	-	8,635	-	7,455
21st Century Learning	-	3,227	-	7,835
School Food Service	-	-	676,847	-
TOTALS	\$ 956,097	\$ 956,097	\$ 975,231	\$ 975,231

Interfund receivables and payables arise as a result of the consolidated cash account utilized by The Board. All operating funds are deposited in a single bank account and disbursements are made through three zero-balance checking accounts. Due to the reimbursement nature of the federal funds operated by The Board, negative cash balances arise throughout the year and are accordingly reported as interfund receivables and payables.

Interfund transfers reflect primarily indirect cost funding provided to the General Fund from federal grants based on programmatic expenditures. An interfund transfer is also reported for state equalization monies provided to the School Food Service fund from the General Fund, where the state funding is reported as revenue.

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June 30, 2010

F. Long-Term Liabilities

Long-term liabilities consist entirely of bonded indebtedness and compensated absences payable. A summary of the changes in long-term debt for the year ended June 30, 2010 follows:

	Balance, July 1, 2009	Additions	Retirements	Balance, June 30, 2010
Bonded				
Indebtedness	\$ 28,027,729	\$ -	\$ 2,747,727	\$ 25,280,002
Compensated Absences	2,062,828	99,357	70,545	2,091,640
TOTALS	\$ 30,090,557	\$ 99,357	\$ 2,818,272	\$ 27,371,642

General Obligation Bonds and Certificates of Indebtedness

The Board has several bond issues outstanding at June 30, 2010. The March 1, 2002, December 7, 2004, and April 1, 2006 bonds were for the advance refunding of the April 1, 1990 general obligation bonds, September 1, 1994 general obligation bonds, August 1, 1995 general obligation bonds, and a portion of the October 1, 2000 general obligation bonds, respectively. The December 1, 2007 issue is being used to fund parishwide facility improvements and / or capital equipment acquisition. The February 1, 2002 certificates of indebtedness, interest-free Qualified Zone Academy Bonds (QZAB) monies, funded the conversion of Lutcher Junior High School to the new Lutcher Elementary School. The April 1, 2003 certificates of indebtedness were used for capital upgrades to parishwide facilities as part of a performance services agreement. A summary of general obligation bonds and certificates of indebtedness at June 30, 2010 follows:

Date of Issue	Original Issue	Interest Rates	Final Pymt Due	Interest to Maturity	Principal Outstanding
<i>General Obligation Bonds:</i>					
March 1, 2002	7,990,000	3-4.5%	3-1-14	\$ 508,138	\$ 4,435,000
December 7, 2004	3,925,000	3%	3-1-11	26,062	700,000
April 1, 2006	4,245,000	3.4-4.05%	4-1-20	1,113,026	4,130,000
December 1, 2007	15,900,000	4-6%	3-1-27	6,356,450	14,835,000
		General Obligation Bonds		8,003,676	24,100,000
<i>Certificates of Indebtedness:</i>					
February 1, 2002	1,000,000	-	11-1-15	-	400,002
April 1, 2003	1,875,000	0.0369	9-1-13	57,103	780,000
		Certificates of Indebtedness		57,103	1,180,002
TOTALS	\$	8,060,779	\$	25,280,002	

Future debt service requirements on bonded indebtedness is as follows:

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<i>Fiscal</i>		<i>Certificates of Indebtedness</i>						
<u>Year</u>		<u>3-1-02</u>	<u>12-7-04</u>	<u>4-1-06</u>	<u>12-1-07</u>	<u>2-1-02</u>	<u>4-1-03</u>	<u>TOTALS</u>
2011	Prin	1,025,000	700,000	330,000	570,000	72,727	190,000	2,887,727
	Int	189,046	26,062	159,714	643,581		25,226	1,043,629
2012	Prin	1,070,000		350,000	595,000	72,727	200,000	2,287,727
	Int	149,430		155,979	609,382		18,050	932,841
2013	Prin	1,140,000		360,000	625,000	72,727	210,000	2,407,727
	Int	103,122		146,649	573,681		10,506	833,958
2014	Prin	1,200,000		380,000	660,000	72,727	180,000	2,492,727
	Int	53,040		134,021	539,306		3,321	729,688
2015	Prin			395,000	695,000	72,727		1,162,727
	Int	13,500		120,622	511,256			645,378
2016-2020								
	Prin			2,315,000	4,035,000	36,367		6,386,367
	Int			370,359	2,110,481			2,480,840
2021-2025								
	Prin				5,190,000			5,190,000
	Int			25,682	1,207,075			1,232,758
2025-2027								
	Prin				2,465,000			2,465,000
	Int				161,688			161,688
Totals:	Prin	<u>4,435,000</u>	<u>700,000</u>	<u>4,130,000</u>	<u>14,835,000</u>	<u>400,002</u>	<u>780,000</u>	<u>25,280,002</u>
	Int	<u>508,138</u>	<u>26,062</u>	<u>1,113,026</u>	<u>6,356,450</u>	<u>-</u>	<u>57,103</u>	<u>8,060,779</u>
TOTALS	\$	\$ 4,943,138	\$ 726,062	\$ 5,243,026	\$ 21,191,450	\$ 400,002	\$ 837,103	\$ 33,340,781

The current portion (due within twelve months) of long-term bonded debt is \$ 2,887,727 while the long-term portion is \$ 22,392,275. All principal and interest requirements are funded in accordance with Louisiana law by the annual tax levy on taxable property within the parish taxing district, with the exception of the Certificates of Indebtedness which are funded by the avails of payments-in-lieu of taxes previously statutorily earmarked for the retirement of general obligation bonds and other excess General Fund revenues. At June 30, 2010, The Board had accumulated \$2,620,110 in the Debt Service Fund for future bonded debt requirements. The Board is legally restricted from incurring long-term debt financed through property taxes in excess of 35% of the assessed valuation of taxable property. At June 30, 2010, the statutory limit was \$148,252,284 and the remaining debt margin was \$124,152,284.

On April 30, 1997, The Board issued \$2.595 million in General Obligation Bonds with an average interest rate of 4.86 percent to advance refund \$2.465 million of outstanding Series 1990 General Obligation Bonds, dated April 1, 1990, with an average interest rate of 6.8 percent. The net proceeds of \$2.529 million (after payment of \$66,000 in underwriting fees, insurance, and other issuance costs) plus an additional \$28,564 of existing sinking fund monies were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 1990 Bonds. As a result, \$2.465 million of the Series 1990 Bonds are considered to be defeased and the liability for those bonds has been removed from The Board's long-term debt schedules. The advance refunded amount was fully retired during fiscal year 2010.

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On March 1, 2002, The Board issued \$7.99 million in General Obligation Bonds with an average interest rate of 3.8 percent to advance refund \$8.26 million of outstanding Series 1994 General Obligation Bonds, dated September 1, 1994, with an average interest rate of 7.25 percent. The net proceeds of \$7.8 million (after payment of \$152,581 in underwriting fees, insurance, and other issuance costs) plus an additional \$43,116 of existing sinking fund monies were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 1994 Bonds. As a result, \$8.26 million of the Series 1994 Bonds are considered to be defeased and the liability for those bonds has been removed from The Board's long-term debt schedules. Of the advance refunded amount, \$4,435,000 remains outstanding.

On December 7, 2004, The Board issued \$3.925 million in General Obligation Bonds with an average interest rate of 3 percent to advance refund \$3.775 million of outstanding Series 1995 General Obligation Bonds, dated August 1, 1995, with an average interest rate of 5.06 percent. The net proceeds of \$3.87 million (after payment of \$107,000 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 1995 bonds. As a result, \$3.775 million of the Series 1995 Bonds are considered to be defeased and the liability for those bonds has been removed from The Board's long-term debt schedules. Of the advance refunded amount, \$700,000 remains outstanding.

On April 1, 2006, The Board issued \$4.245 million in General Obligation Bonds with an average interest rate of 3.72 percent to advance refund \$3.985 million of outstanding Series 2000 General Obligation Bonds, dated November 1, 2000 with an average interest rate of 6 percent. The net proceeds of \$4.158 million (after payment of \$106,000 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an Irrevocable trust with an escrow agent to provide for future debt service payments scheduled from 2011 to 2020 on the Series 2000 bonds. As a result, \$3.985 million of the Series 2000 Bonds are considered to be defeased and the liability for those bonds has been removed from The Board's long-term debt schedules. Of the advance refunded amount, \$4,130,000 remains outstanding.

Compensated Absences

Compensated absences consist of that portion of accumulated regular sick leave for which The Board may have an obligation to pay for up to twenty-five (25) days thereof. All amounts reported are computed using the employee's daily rate of pay as of June 30, 2010 and are liquidated through the fund where the leave has been earned by the employee. Of the balance reported, \$ 132,919 is estimated to be due within one year of June 30, 2010.

G. Reservations of Fund Balance

Portions of fund balances are reserved for future use and therefore are not available for appropriation or expenditure. The General Fund reports fund balance reservations for Salaries, Capital Outlay / Operations and Maintenance, and the self-insured Health Insurance and Worker's Compensation funds, two self-funded programs which are authorized by Board resolution. Since all material outstanding items were rebudgeted in Fiscal Year 2010, The Board reported no reserve for encumbrances as of June 30, 2010. The Reserve for Salaries is used to maintain local supplements to basic state salary funding. The Reserve for Salaries and the Reserve for Capital Outlay/Operations and Maintenance are segregated in accordance with the applicable tax propositions as further explained in the Summary of Significant Accounting Policies. The reserved fund balance reported in the Debt Service Fund is reserved for retirement of long-term bonded debt in accordance with the legal provisions of bond indentures and tax propositions passed by parish voters. The reserved fund balance reported in the Capital Projects Fund is reserved for future construction and other capital expenditures in accordance with Board-adopted plans. A summary of General Fund fund balance reservations reported for the past three fiscal years is as follows:

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<u>Fund Balance - General Fund:</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Salaries	\$ 3,164,399	\$ 2,520,354	\$ 3,016,432
Capital Outlay / Maintnce	3,487,912	2,043,917	2,677,912
Self-Insurances	2,552,486	1,496,781	351,530
TOTALS	\$ 9,204,797	\$ 6,061,052	\$ 6,045,874

H. Defined Benefit Pension Plans

Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (The Systems), which are cost-sharing, multiple-employer public employee retirement systems. Each system is administered and controlled at the state level by a separated board of trustees, with contribution rates and benefit provisions approved by the Louisiana Legislature. Participation in the Teachers Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers Plan A. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits under each plan. Each System issues annual financial reports that include financial statements and required supplementary information. These reports are available to the public and may be obtained from:

Teachers Retirement System
8401 United Plaza Boulevard
P.O. Box 94123
Baton Rouge, LA 70804-9123
(225) 925-6446

School Employees Retirement System
8660 United Plaza Boulevard
Baton Rouge, LA 70809
(225) 925-6484

Contributions to the plans are required and determined by statute and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2010 for The Board and covered employees were as follows:

	<u>School Board</u>	<u>Employees</u>
Teachers Retirement System:		
Regular Plan	15.5 %	8.00%
Plan A	15.5%	8.00%
School Employees Retirement System	17.6%	7.50%

As provided by Louisiana Revised Statute 11:103, The Board's contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Actual contributions made to The Systems for the past three fiscal years, which substantially equaled the required contributions for each of these years, were as follows:

	<u>FY 2010</u>	<u>FY 2009</u>	<u>FY 2008</u>
Teachers Retirement System:			
Regular Plan	\$ 6,034,995	\$ 5,875,229	\$ 5,133,216
Plan A	112,616	108,912	97,559
School Employees Retirement System	502,508	488,915	504,917

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In accordance with state law, The Board provides certain post-retirement health care and life insurance benefits to its retired employees. Substantially all Board employees may become eligible for such benefits upon reaching retirement age. The health insurance premiums are paid by The Board and its employees. For the year ended June 30, 2010, The Board paid approximately 80% of the health insurance premiums for retired employees. The cost of retirement health care is recognized as an expenditure as premiums are paid. For fiscal year 2010, The Board's cost for providing all health care and life insurance benefits to the 514 active and 324 retired employees and their dependents amounted to \$3,089,454 and \$1,337,824 respectively. The Board has a continuing future obligation for health care and life insurance benefits for retired teachers and non-instructional employees and their dependents. This future liability is not funded but will be payable by the General Fund out of future year's operations. This liability is further discussed below in Note M, Post-Employment Benefits.

Retirees contribute 17% of the retiree-only coverage and 24% of the cost of dependent coverage. Retirees who are eligible for Parts A and B of Medicare contribute 27% of single premium. The Board's obligation to retirees does not end at age 65, however. Medicare, for those eligible, becomes the primary carrier while The Board's group carrier becomes secondary carrier. Further information on retiree benefits is included in Note M, "Post-Employment Benefits."

I. Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. Except as noted below, for the year ended June 30, 2010, The Board purchased commercial insurance policies to satisfy any claims related to general liability, vehicle liability, property and casualty, athletic participation, employee health and accident, and errors and omissions. The General Fund, since there is no Internal Service Fund, accounts for all risk-financing activity.

During the year ended June 30, 2010, there was no significant reduction in insurance coverage in any of the risk categories mentioned above. Additionally, The Board has had no settlements in excess of insurance coverage during any of the past three fiscal years.

Hurricane Gustav, which struck Louisiana in September 2008, inflicted substantial damage on The Board's facilities throughout the parish, with two particular school sites absorbing the brunt of the damage. Claims have been filed and final disposition of those claims is pending as of the date of this report. Further information is included in Note K, "Property Damage."

The Board is self-insured for employee group health insurance and maintains additional reinsurance from an independent carrier for any claims incurred in excess of specified limits. Those funds with covered employees remit monthly premiums to the Health Insurance Reserve Fund which pays claims based on invoices submitted by The Board's third-party administrator. The plan was established on October 1, 2003 and all financial activity is reported in the General Fund.

The Board is also self-insured for worker's compensation up to \$175,000 per occurrence and subject to an aggregate loss fund in an amount equal to 80% of the standard manual premium. An independent carrier insures The Board for excess worker's compensation claims over and above the afore-mentioned limits. Claims expenditures are funded through budgetary appropriations of the General Fund and those Special Revenue Funds that incur claims liabilities. A reconciliation of claims liability for the past three fiscal years follows:

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June 30, 2010

	<u>Beginning Fiscal Year Liability</u>	<u>Current Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Ending Fiscal Year Liability</u>
2010				
Worker's Comp	\$ 137,360	\$ 256,361	\$ 238,544	\$ 155,177
Health Insurance	627,131	4,183,381	4,443,555	366,957
TOTALS	\$ 764,491	\$ 4,439,742	\$ 4,682,099	\$ 522,134
2009				
Worker's Comp	\$ 138,261	\$ 238,114	\$ 239,015	\$ 137,360
Health Insurance	871,960	3,902,078	4,146,907	627,131
TOTALS	\$ 1,010,221	\$ 4,140,192	\$ 4,385,922	\$ 764,491
2008				
Worker's Comp	\$ 81,535	\$ 393,681	\$ 336,955	\$ 138,261
Health Insurance	746,274	5,543,923	5,418,237	871,960
TOTALS	\$ 827,809	\$ 5,937,604	\$ 5,755,192	\$ 1,010,221

J. Commitments

The Board is entered into several different contracts which result in commitments in various phases of The Board's operations. The material contractual obligations outstanding at June 30, 2010 were all construction contracts financed by the Series 2007 General Obligation Bonds Capital Projects Fund. A summary follows:

<u>Project</u>	<u>School</u>	<u>Contract Amount</u>	<u>Paid to Date</u>	<u>Contracts Payable</u>	<u>Contract Balance</u>	<u>Work in Progress</u>
New Cafetorium	St. James High	2,445,933	2,443,933	2,000	-	-
New Varsity Gymnasium	Lutcher High	2,477,712	2,353,826	123,886	-	-
New Classrooms, Ctrium	Vacherie Elem	2,268,500	-	31,789	2,236,711	31,789
New Activity Area, Gym	Romeville Elem	1,151,514	-	15,021	1,136,493	15,021
Bulldog Drive Road Imprv	Lutcher High	486,573	-	157,279	329,294	157,279
New Classrooms	Sixth Ward Elem	773,600	691,240	82,360	-	-
New Corridor / Walkway	Sixth Ward Elem	66,952	56,540	10,412	-	-
Drainage Improvements	Sixth Ward Elem	34,300	30,285	4,015	-	-
Auditorium Demolition	Vacherie Elem	19,750	17,775	1,975	-	-
TOTALS		\$ 9,724,834	\$ 5,593,599	\$ 428,737	\$ 3,702,498	\$ 204,089

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June 30, 2010

K. Property Damage

On September 1, 2008, Hurricane Gustav made landfall in south Louisiana and caused severe, but not crippling in most cases, property damage to physical facilities parishwide. Two Board facilities absorbed the brunt of the damage – Romeville Elementary School and Vacherie Elementary School.

All minor repair/renovation/replacement activity through June 30, 2010, totaling \$ 1,261,163, has been reported in The Board's General Fund during fiscal years 2009 and 2010, along with the corresponding emergency relief funding received from the United States government through the Federal Emergency Management Agency (FEMA). Receipts included in the General Fund financial statements, which represent roughly 90% of the cost of those items approved and paid, total \$343,464 for fiscal year 2009 and \$ 362,352 for fiscal year 2010. As of the date of this report, The Board has expended no additional monies on the minor projects and does not expect to. There are no insurance implications with the minor repair/renovation/replacement activity since all financial activity accounted for in this segment of the recovery falls well short of the policy deductible amount.

Two buildings at Romeville Elementary School were deemed a total loss – the school's free-standing gymnasium and a six-classroom wing of the main school building. Both buildings have since been demolished and a replacement project is underway as noted in Note J, Commitments. The Board's administration and property insurance carrier have agreed in principle on a settlement figure of some \$1.1 million for both buildings and the proposed settlement is in the final stages of completion as of the date of this report. Despite the demolition of the six-classroom wing, instruction has not been disrupted since the existing school facility was more than adequate physically to accommodate the school's student population.

At Vacherie Elementary School, the free-standing auditorium building was severely damaged by Hurricane Gustav and has been demolished. The Board's administration and the property insurance carrier have agreed in principle on a settlement in the range of \$500,000 with that settlement also pending a final agreement. The Board has incorporated a new auditorium into pre-storm expansion plans that are to be funded through the Series 2007 General Obligation Bonds fund and that project is also listed in Note J, Commitments. With the pending insurance settlement and possible additional FEMA funding, it is anticipated that The Board's out-of-pocket costs for the addition of the auditorium to the pre-existing plans will not be a material amount.

As mentioned in the above paragraphs, The Board and their insurance carrier have agreed to most of the settlement amounts for the two schools that were severely damaged. The undisputed portion of the settlement, \$1,453,877, has been reported in the General Fund as *Other Financing Sources – Insurance Proceeds*. Some \$1.1 million of that amount was received in May 2010 and the balance was received in August 2010.

Due to the age of the buildings destroyed – over 40 years for each of the school sites – and the insurance and FEMA settlements expected, Board administration does not feel that the ultimate replacement and disposition of the destroyed assets will materially impact The Board's financial statements.

L. Energy Efficient Contracts

On June 18, 2002, The Board entered into an Energy Efficiency Contract with Siemens Building Technologies, Inc. The contract contained a stipulated savings clause which was determined to be illegal from *Siemens Building Technologies, Inc. v. Iberville Parish School Board*, 2008 WL 1765598 (La.), 2008-0336 (La. 4/4/08). As of June 30, 2010, the contract is still in effect. The contract has not yet been amended and Board counsel is continuing to research the contract language and cost savings guarantees. A final resolution to the issue is still pending as of the date of this report.

ST. JAMES PARISH SCHOOL BOARD

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M. Post-Employment Benefits

Plan Description. The Board's medical benefits are provided through an insured plan and are made available to employees upon actual retirement. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. Complete plan provisions are included in the official plan documents.

Basic and Supplemental Life insurance coverage is available to retirees by election. The employer pays 100% of the Basic premium and 50% of the Supplemental premium. The Basic premium is "blended" and the Supplemental premium is "unblended". Since GASB 45 requires the use of "unblended" rates, the 94GAR mortality table described above has been used to "unblend" the Basic rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for the Basic life insurance.

Contribution Rates. Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy. Until 2008, The Board recognized the cost of providing post-employment medical and life benefits (The Board's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In fiscal year 2010, The Board's portion of health care funding cost for retired employees totaled \$1,266,162, and the life insurance totaled \$71,662.

Effective with the fiscal year beginning July 1, 2008, The Board implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45).

Annual Required Contribution. The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2009 is \$2,776,678 for medical, and \$126,896 for life, as set forth below:

	<u>Medical</u>	<u>Life</u>	<u>Total</u>
Normal Cost	\$ 1,027,757	\$ 30,316	\$ 1,058,073
30-year UAL amortization amount	<u>1,748,921</u>	<u>96,580</u>	<u>1,845,501</u>
Annual Required Contribution (ARC)	\$ <u>2,776,678</u>	\$ <u>126,896</u>	\$ <u>2,903,574</u>

Net Post-employment Benefit Obligation (Asset). The table below shows The Board's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for the fiscal year ending June 30, 2010:

ST. JAMES PARISH SCHOOL BOARDLutcher, Louisiana**NOTES TO BASIC FINANCIAL STATEMENTS**

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	<u>Medical</u>	<u>Life</u>	<u>Total</u>
Beginning Net OPEB Obligation (Asset), July 1, 2009	\$ 1,403,721	\$ 50,353	\$ 1,454,074
Annual Required Contribution	2,776,678	126,896	2,903,574
Interest on Net OPEB Obligation (Asset)	56,149	2,014	58,163
ARC Adjustment	81,177	2,912	84,089
OPEB Cost	2,751,650	125,998	2,877,648
Contribution	-	-	-
Current Year Retiree Premium	(1,266,162)	(71,662)	(1,337,824)
Change in Net OPEB Obligation	1,485,488	54,336	1,539,824
Ending Net OPEB Obligation (Asset), June 30, 2010	\$ <u>2,889,209</u>	\$ <u>104,689</u>	\$ <u>2,993,898</u>

The following table shows The Board's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

	<u>Medical</u>	<u>Life</u>	<u>Total</u>
Annual OPEB Cost	\$ 2,751,650	\$ 125,998	\$ 2,877,648
Percentage of Annual Cost Contributed	46.01%	56.88%	46.49%
Net OPEB Obligation (Asset)	\$ 2,889,209	\$ 104,689	\$ 2,993,898

Funded Status and Funding Progress. In the fiscal year ending June 30, 2010, The Board made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2010, the Actuarial Accrued Liability (AAL) was \$31,451,760 (medical) and \$1,736,974 (life), which is defined as that portion, as determined by a particular actuarial cost method (The Board uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2010, the entire actuarial accrued liability of \$31,451,760 (medical) and \$1,736,974 (life) was unfunded.

	<u>Medical</u>	<u>Life</u>	<u>Total</u>
Actuarial Accrued Liability (AAL)	\$ 31,451,760	1,736,974	\$ 33,188,734
Actuarial Value of Plan Assets	-	-	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ <u>31,451,760</u>	<u>1,736,974</u>	\$ <u>33,188,734</u>
Funded Ratio	-	-	-
Covered Payroll (active plan members)	\$ <u>22,596,591</u>	\$ <u>22,596,591</u>	\$ <u>22,596,591</u>
UAAL as a Percent of Covered Payroll	<u>139.19%</u>	<u>7.69%</u>	<u>146.87%</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by The Board and its employee plan members) at the time of the valuation and on the pattern of sharing costs between The Board and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between The Board and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method. The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets. Since this is the first actuarial valuation, there are not any assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45 will be used.

Turnover Rate. An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 5%. The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18-25	8%
26-40	7%
41-54	5%
55 +	4%

Post employment Benefit Plan Eligibility Requirements. Based on past experience, it has been assumed that entitlement to benefits will commence three years after satisfaction of the minimum retirement/D.R.O.P. entry eligibility requirements. The three year delay is to accommodate the three year period of participation in the D.R.O.P. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Teachers' Retirement System of Louisiana (TRSL), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 65 and 20 years of service. Complete plan provisions are included in the official plan documents. Entitlement to benefits continue through Medicare to death.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits. Since the ARC is not currently being funded and not expected to be funded in the near future, this valuation has been performed using a 4% annual investment return assumption.

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2009 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later. Zero trend has been assumed for valuing life insurance.

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The rates provided are "blended" rates for active and retirees before age 65. Since GASB 45 mandates that "unblended" rates be used, we have estimated the "unblended" rates for those two groups: active and retired before Medicare eligibility. The employer premium payable for retiree medical insurance is a percentage of the employer rate schedule varying according to the number of years of service at retirement (D.R.O.P. entry): 25% for fewer than 10 years; 50% for 10 years but fewer than 15 years; 75% for 15 years but fewer than 20 years; and, 100% for 20 years or more.

N. Litigation

At June 30, 2010, The Board was a defendant in several different lawsuits. Board management and legal counsel believe that claims against The Board not covered by insurance would not have a material impact on The Board's financial statements. There have been no material judgments rendered against The Board in the last several fiscal years.

O. Federal Grants

The Board participates in a number of federally-assisted grant programs. These programs are subject to program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. Based on prior experience, Board management believes such disallowances, if any, would be immaterial.

P. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 6, 2011, and determined that there were no occurrences that require disclosure.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2010

Q. Excess of Expenditures over Appropriations

For the year ended June 30, 2010, expenditures and other financing uses exceeded budgeted appropriations in the following fund by the amounts listed:

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
NCLB Title VI	94,223	96,836	2,613
Ensuring Literacy for All	330,056	426,495	96,439
Literacy and School Libraries	-	62,219	62,219
TANF After School for All	142,150	162,477	20,327
School Food Service	2,600,000	2,851,524	251,524

The excesses in the NCLB Title VI, Literacy and School Libraries, and TANF After School for All funds were absorbed solely through grant budget modifications. The Ensuring Literacy for All excess was absorbed through both grant budget modifications and an operating transfer from the General Fund. The excess in the School Food Service fund was absorbed entirely through an operating transfer from the General Fund.



ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

REQUIRED SUPPLEMENTARY INFORMATION

General Fund - Budgetary Comparison Schedule

The General Fund is the main operating fund of The Board and accounts for all financial resources and transactions not required to be accounted for elsewhere.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 1

GENERAL FUND Budgetary Comparison Schedule For the Year Ended June 30, 2010

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL	(Budgetary Basis)	WITH FINAL BUDGET
REVENUES				
Local Sources:				
Taxes: Ad Valorem	\$ 13,906,000	\$ 13,680,000	\$ 13,712,792	\$ 32,792
Sales and Use	12,800,000	12,600,000	12,736,822	136,822
Interest Earnings	300,000	200,000	20,709	(179,291)
Other	640,000	761,089	1,015,425	254,336
Total Local Sources	27,646,000	27,241,089	27,485,748	244,659
State Sources:				
Minimum Foundation Program	17,500,000	17,472,899	17,472,902	3
Other	1,083,000	1,580,377	1,294,661	(285,716)
Total State Sources	18,583,000	19,053,276	18,767,563	(285,713)
Federal Sources	934,000	217,487	1,005,433	787,946
TOTAL REVENUES	47,163,000	46,511,852	47,258,744	746,892
EXPENDITURES				
Current:				
Instruction:				
Regular Programs	19,791,098	18,291,892	17,297,017	(994,875)
Special Programs	5,088,474	4,627,521	4,278,492	(349,029)
Vocational Programs	1,197,565	1,265,419	1,215,671	(49,748)
All Other Programs	2,545,673	2,534,373	2,478,375	(55,998)
Support Services:				
Pupil Support	1,543,727	2,017,817	2,107,601	89,784
Instructional Staff Support	2,621,869	2,620,769	2,338,328	(282,441)
General Administration	1,630,054	1,601,244	1,593,828	(7,416)
School Administration	2,918,823	3,019,804	2,886,142	(133,662)
Business Services	565,628	537,656	553,098	15,442
Plant Services	5,471,289	5,884,981	5,045,818	(839,163)
Pupil Transportation	2,884,872	2,774,060	2,549,485	(224,575)
Central Services	1,295,047	1,271,387	834,272	(437,115)
Community Services	9,000	9,000	15,866	6,866
Capital Outlay	440,000	216,634	351,315	134,681
Debt Service: Principal	242,727	252,727	252,727	-
Interest	32,000	35,092	31,907	(3,185)
TOTAL EXPENDITURES	48,277,846	46,960,376	43,829,942	(3,130,434)

(Continued)

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 1

GENERAL FUND

Budgetary Comparison Schedule
For the Year Ended June 30, 2010

	BUDGET		ACTUAL (Budgetary Basis)	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,114,846)	(448,524)	3,428,802	3,877,326
OTHER FINANCING SOURCE (Uses):				
Insurance Proceeds	-	-	1,453,887	1,453,887
Interfund Transfers In	230,121	285,779	216,506	(69,273)
Interfund Transfers Out	(900,000)	(600,000)	(758,725)	(158,725)
TOTAL OTHER FINANCING SOURCES / (Uses)	(669,879)	(314,221)	911,668	1,225,889
NET CHANGES IN FUND BALANCES	\$ (1,784,725)	\$ (762,745)	\$ 4,340,470	\$ 5,103,215

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Most Special Revenue Funds are operated on a cost-reimbursement basis.

NO CHILD LEFT BEHIND ACT (NCLB)

Title I - This federal program ensures that all children have the opportunity to obtain a high quality education and reach proficiency on challenging state academic standards and assessments. This program focuses on at-risk and low income students and includes funding authorized under the American Recovery and Reinvestment Act of 2009 (ARRA).

Title II - This program focuses on improving student achievement by providing federal monies for elevating teacher and principal quality through staff development and through personnel recruitment, hiring, and retention strategies.

Title IV – This federal funding supports programs to prevent violence in and around schools in addition to educating students on the perils of the use and abuse of illegal drugs, alcohol, and tobacco. The overall intent of this program is to foster a safe and drug-free learning environment that supports academic achievement.

Title VI – The Rural Education Achievement Program, federal monies housed under the umbrella of Title VI, supports district school improvement initiatives in rural communities.

Individuals With Disabilities Education Act (IDEA) - This program provides federally-funded free education in the least restrictive environment for those students with physical and mental exceptionalities and includes ARRA funding.

Ensuring Literacy for All – This column reports primarily state funding provided for continuation of the defunct federal Reading First program. The goal of this program is to bring all kindergarten through third-grade students up to reading on the appropriate grade levels. The final Reading First funding is reported in this column as federal revenue.

Teaching, Learning, and Technology Center (TLTC) - This federal program provides monies for the integration of professional development training into a standards-based curriculum to schools in the system. The grants reported herein provide for the operation of a computer laboratory at the St. James Parish Career and Technology Center as well as other technology funding. ARRA funding is also reported within this heading.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

Special Revenue Funds (continued):

Vocational Education - This fund accounts for federal monies used to implement the Carl D. Perkins Vocational Act. These funds are used only for those programs that can be demonstrated to prepare students for employment, that are necessary to prepare students for successful completion of vocational programs, or be of significant assistance to students in making meaningful occupational choices.

Literacy and School Libraries - Funded directly by the United States Department of Education, this program supplements locally funded efforts to upgrade the quality of school libraries through the implementation of various technology systems.

TANF After School for All - This federally-funded Targeted Assistance for Needy Families (TANF) program helps to expand and enhance after school programs in low income communities and low performing school populations.

21st Century Community Learning - This federal funding provides for the establishment of community learning centers by both school systems and private organizations. Targeted areas includes those with low performing students, high poverty rates, and those lacking resources to establish community learning centers on their own.

School Food Service - This fund includes lunch and breakfast operations and accounts for the financial activities of the school food service program in the school system during the regular school term. The basic goals of this program are to serve nutritionally adequate, attractive, and moderately priced meals, to help children grow both socially and emotionally, to extend educational influence to the home of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically-fit adults.

Debt Service Fund - This fund accounts for the accumulation of resources for, and the payment of general long-term debt principal and interest.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 2

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

June 30, 2010

	Special Revenue Funds							
	NO CHILD LEFT BEHIND (NCLB)					ENSURING LITERACY FOR ALL	TLTC	
	TITLE I	TITLE II	TITLE IV	TITLE VI	IDEA			
ASSETS								
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,143	\$ -	
Receivables	282,935	41,265	5,111	60,498	378,549	5,755	58,760	
Inventory	-	-	-	-	-	-	-	
TOTAL ASSETS	\$ 282,935	\$ 41,265	\$ 5,111	\$ 60,498	\$ 378,549	34,898	58,760	
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts, Salaries, Other Payables	\$ 78,028	\$ 12,945	\$ 298	\$ -	\$ 87,067	29,143	26,325	
Interfund Payables	204,907	28,320	4,813	60,498	291,482	5,755	32,435	
Total Liabilities	282,935	41,265	5,111	60,498	378,549	34,898	58,760	
Fund Balances - Reserved	-	-	-	-	-	-	-	
TOTAL LIABILITIES AND FUND BALANCES	\$ 282,935	\$ 41,265	\$ 5,111	\$ 60,498	\$ 378,549	\$ 34,898	\$ 58,760	

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 2

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

June 30, 2010

	Special Revenue Funds						TOTAL
	VOCATIONAL EDUCATION	LITERACY AND SCHOOL LIBRARIES	TANF AFTER SCHOOL	21ST CENTURY LEARNING	SCHOOL FOOD SERVICE	DEBT SERVICE FUND	
ASSETS							
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 114,915	\$ 2,625,110	\$ 2,769,168
Receivables	3,807	-	35,472	61,658	33,567	-	967,377
Inventory	-	-	-	-	6,688	-	6,688
TOTAL ASSETS	\$ 3,807	\$ -	\$ 35,472	\$ 61,658	\$ 155,170	\$ 2,625,110	\$ 3,743,233
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts,Salaries,Other Paybles	\$ -	\$ -	\$ 26,837	\$ 58,431	\$ 155,170	\$ 5,000	\$ 479,244
Interfund Payables	3,807	-	8,635	3,227	-	-	643,879
Total Liabilities	3,807	-	35,472	61,658	155,170	5,000	1,123,123
Fund Balances - Reserved	-	-	-	-	-	2,620,110	2,620,110
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,807	\$ -	\$ 35,472	\$ 61,658	\$ 155,170	\$ 2,625,110	\$ 3,743,233

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 3

NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2010

	Special Revenue Funds					ENSURING LITERACY FOR ALL	TLTC
	NO CHILD LEFT BEHIND (NCLB)						
	TITLE I	TITLE II	TITLE IV	TITLE VI	IDEA		
REVENUES							
Local Sources:							
Interest Earnings	-	-	-	-	-	-	-
Ad Valorem Taxes	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-
State Sources: Grants	-	-	-	-	-	330,056	-
Federal Sources: Grants	1,460,529	215,473	18,046	98,713	1,560,703	14,882	717,128
TOTAL REVENUES	1,460,529	215,473	18,046	98,713	1,560,703	344,938	717,128
EXPENDITURES							
Current:							
Instruction:							
Regular Programs	-	-	-	-	-	14,561	360,577
Special Programs	-	-	-	-	973,496	-	-
Vocational Programs	-	-	-	-	-	-	-
All Other Programs	1,099,321	194,488	16,013	96,836	-	411,934	-
Support Services:							
Pupil Support	63,074	-	-	-	405,927	-	-
Instructional Staff Support	210,407	11,048	1,105	-	44,940	-	319,190
General Administration	-	-	-	-	-	-	-
Pupil Transportation	8,067	-	601	-	25,943	-	-
Central Services	5,421	-	-	-	33,243	-	-
Food Services	-	-	-	-	-	-	-
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest on Long-Term Debt	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,386,290	205,536	17,719	96,836	1,483,549	426,495	679,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPNDTRES	74,239	9,937	327	1,877	77,154	(81,557)	37,361
OTHER FINANCING SOURCES / (USES):							
Interfund Transfers In	-	-	-	-	-	81,878	-
Interfund Transfers Out	(74,239)	(9,937)	(327)	(1,877)	(77,154)	(321)	(37,361)
TOTAL OTHER FINANCING SOURCES / (USES)	(74,239)	(9,937)	(327)	(1,877)	(77,154)	81,557	(37,361)
EXCESS (DEFICIENCY) OF REV- ENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	-	-	-	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -	-	-	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 3

NONMAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2010

	Special Revenue Funds						
	VOCATIONAL EDUCATION	LITERACY AND SCHOOL LIBRARIES	TANF AFTER SCHOOL	21ST CENTURY LEARNING	SCHOOL FOOD SERVICE	DEBT SERVICE FUND	TOTAL
REVENUES							
Local Sources:							
Interest Earnings	-	-	-	-	-	727	727
Ad Valorem Taxes	-	-	-	-	-	3,878,920	3,878,920
Charges for Services	-	-	-	-	361,724	-	361,724
State Sources: Grants	-	-	-	-	-	-	330,056
Federal Sources: Grants	47,244	62,219	169,932	149,720	1,812,953	-	6,327,542
TOTAL REVENUES	47,244	62,219	169,932	149,720	2,174,677	3,879,647	10,898,969
EXPENDITURES							
Current:							
Instruction:							
Regular Programs	-	62,219	155,912	133,404	-	-	726,673
Special Programs	-	-	-	-	-	-	973,496
Vocational Programs	47,244	-	-	-	-	-	47,244
All Other Programs	-	-	-	-	-	-	1,818,592
Support Services:							
Pupil Support	-	-	1,023	-	-	-	470,024
Instructional Staff Support	-	-	-	-	-	-	586,690
General Administration	-	-	-	-	-	130,340	130,340
Pupil Transportation	-	-	5,542	8,481	-	-	48,634
Central Services	-	-	-	-	-	-	38,664
Food Services	-	-	-	-	2,851,524	-	2,851,524
Debt Service:							
Principal Retirement	-	-	-	-	-	2,495,000	2,495,000
Interest on Long-Term Debt	-	-	-	-	-	1,132,190	1,132,190
TOTAL EXPENDITURES	47,244	62,219	162,477	141,885	2,851,524	3,757,530	11,319,071
EXCESS (DEFICIENCY) OF							
REVENUES OVER EXPENDITURES	-	-	7,455	7,835	(676,847)	122,117	(420,102)
OTHER FINANCING							
SOURCES / (USES):							
Interfund Transfers In	-	-	-	-	676,847	-	758,725
Interfund Transfers Out	-	-	(7,455)	(7,835)	-	-	(216,506)
TOTAL OTHER FINANCING							
SOURCES / (USES)	-	-	(7,455)	(7,835)	676,847	-	542,219
EXCESS (DEFICIENCY) OF REV-							
ENUES AND OTHER FINANCING							
SOURCES OVER EXPENDITURES							
AND OTHER FINANCING USES	-	-	-	-	-	122,117	122,117
FUND BALANCE - BEGINNING	-	-	-	-	-	2,497,993	2,497,993
FUND BALANCE - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,620,110	\$ 2,620,110

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 4

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

NCLB TITLE I

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ 1,799,541	\$ 1,460,529	\$ (339,012)
EXPENDITURES			
Current:			
Instruction:			
All Other Programs	1,260,123	1,099,321	160,802
Support Services:			
Pupil Support	126,888	63,074	63,814
Instructional Staff Support	303,467	210,407	93,060
Pupil Transportation	12,000	8,067	3,933
Central Services	6,000	5,421	579
TOTAL EXPENDITURES	1,708,478	1,386,290	322,188
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	91,063	74,239	(16,824)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	(91,063)	(74,239)	16,824
TOTAL OTHER FINANCING SOURCES / (Uses)	(91,063)	(74,239)	16,824
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 5

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

NCLB TITLE II

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources: Grants	\$ 302,124	\$ 215,473	\$ (86,651)
EXPENDITURES			
Current:			
Instruction:			
All Other Programs	276,012	194,488	81,524
Support Services:			
Instructional Staff Support	<u>12,179</u>	<u>11,048</u>	<u>1,131</u>
TOTAL EXPENDITURES	<u>288,191</u>	<u>205,536</u>	<u>82,655</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	13,933	9,937	(3,996)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	<u>(13,933)</u>	<u>(9,937)</u>	<u>3,996</u>
TOTAL OTHER FINANCING SOURCES / (Uses)	(13,933)	(9,937)	3,996
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 6

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

NCLB TITLE IV

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ 18,046	\$ 18,046	\$ -
EXPENDITURES			
Current:			
Instruction:			
All Other Programs	16,219	16,013	206
Support Services:			
Instructional Staff Support	1,000	1,105	(105)
Pupil Transportation	500	601	(101)
TOTAL EXPENDITURES	17,719	17,719	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	327	327	-
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	(327)	(327)	-
TOTAL OTHER FINANCING SOURCES / (Uses)	(327)	(327)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 7

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

NCLB TITLE VI

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources: Grants	\$ 96,370	\$ 98,713	\$ 2,343
EXPENDITURES			
Current:			
Instruction:			
All Other Programs	<u>94,223</u>	<u>96,836</u>	<u>(2,613)</u>
TOTAL EXPENDITURES	<u>94,223</u>	<u>96,836</u>	<u>(2,613)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	2,147	1,877	(270)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	<u>(2,147)</u>	<u>(1,877)</u>	<u>270</u>
TOTAL OTHER FINANCING SOURCES / (Uses)	(2,147)	(1,877)	270
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 8

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

NCLB IDEA

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ 2,501,640	\$ 1,560,703	\$ (940,937)
EXPENDITURES			
Current:			
Instruction:			
Special Instruction	1,697,941	973,496	724,445
Support Services:			
Pupil Support	566,921	405,927	160,994
Instructional Staff Support	61,017	44,940	16,077
Pupil Transportation	24,000	25,943	(1,943)
Central Services	32,695	33,243	(548)
TOTAL EXPENDITURES	2,382,574	1,483,549	899,025
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	119,066	77,154	(41,912)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	(119,066)	(77,154)	41,912
TOTAL OTHER FINANCING SOURCES / (Uses)	(119,066)	(77,154)	41,912
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 9

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

ENSURING LITERACY FOR ALL

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
State Sources: Grants	\$ 330,056	\$ 330,056	\$ -
Federal Sources: Grants	<u>-</u>	<u>14,882</u>	<u>14,882</u>
TOTAL REVENUES	330,056	344,938	14,882
EXPENDITURES			
Current:			
Instruction:			
Regular Programs	-	14,561	(14,561)
All Other Programs	<u>330,056</u>	<u>411,934</u>	<u>(81,878)</u>
TOTAL EXPENDITURES	330,056	426,495	(96,439)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	(81,557)	(81,557)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	81,878	81,878
Interfund Transfers Out	<u>-</u>	<u>(321)</u>	<u>(321)</u>
TOTAL OTHER FINANCING SOURCES / (Uses)	-	81,557	81,557
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 10

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

TLTC

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ 757,023	\$ 717,128	\$ (39,895)
EXPENDITURES			
Current:			
Instruction:			
Regular Instruction	383,512	360,577	22,935
Support Services:			
Instructional Staff Support	333,893	319,190	14,703
TOTAL EXPENDITURES	717,405	679,767	37,638
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	39,618	37,361	(2,257)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	(39,618)	(37,361)	2,257
TOTAL OTHER FINANCING SOURCES / (Uses)	(39,618)	(37,361)	2,257
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 11

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

VOCATIONAL EDUCATION

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources: Grants	\$ 47,244	\$ 47,244	\$ -
EXPENDITURES			
Current:			
Instruction:			
Vocational Programs	<u>47,244</u>	<u>47,244</u>	<u>-</u>
TOTAL EXPENDITURES	<u>47,244</u>	<u>47,244</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES / (Uses)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 12

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

LITERACY AND SCHOOL LIBRARIES

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ -	\$ 62,219	\$ 62,219
EXPENDITURES			
Current:			
Instruction:			
Regular Programs	-	62,219	(62,219)
TOTAL EXPENDITURES	-	62,219	(62,219)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES / (Uses)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 13

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

TANF AFTER SCHOOL FOR ALL

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ 150,000	\$ 169,932	\$ 19,932
EXPENDITURES			
Current:			
Instruction:			
Regular Programs	136,850	155,912	(19,062)
Support Services:			
Pupil Support	1,575	1,023	552
Pupil Transportation	3,725	5,542	(1,817)
TOTAL EXPENDITURES	142,150	162,477	(20,327)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	7,850	7,455	(395)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	(7,850)	(7,455)	395
TOTAL OTHER FINANCING SOURCES / (Uses)	(7,850)	(7,455)	395
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 14

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

21st CENTURY LEARNING

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources: Grants	\$ 225,000	\$ 149,720	\$ (75,280)
EXPENDITURES			
Current:			
Instruction:			
Regular Programs	204,125	133,404	70,721
Support Services:			
Pupil Transportation	9,100	8,481	619
TOTAL EXPENDITURES	213,225	141,885	71,340
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	11,775	7,835	(3,940)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	-	-	-
Interfund Transfers Out	(11,775)	(7,835)	3,940
TOTAL OTHER FINANCING SOURCES / (Uses)	(11,775)	(7,835)	3,940
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 15

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Final Budget (Modified Accrual Basis) and Actual (Modified Accrual Basis)
For the Year Ended June 30, 2010

SCHOOL FOOD SERVICE

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Local Sources:			
Charges for Services	\$ 300,000	\$ 361,724	\$ 61,724
Federal Sources:			
Federal Grants	1,800,000	1,812,953	12,953
TOTAL REVENUES	2,100,000	2,174,677	74,677
EXPENDITURES			
Current:			
Support Services:			
Food Services	2,600,000	2,851,524	(251,524)
TOTAL EXPENDITURES	2,600,000	2,851,524	(251,524)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(500,000)	(676,847)	(176,847)
OTHER FINANCING SOURCE (Uses):			
Interfund Transfers In	500,000	676,847	176,847
Interfund Transfers Out	-	-	-
TOTAL OTHER FINANCING SOURCES / (Uses)	500,000	676,847	176,847
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	\$ -

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 16

AGENCY FUND
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2010

	<u>BALANCE</u> <u>JULY 1, 2009</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2010</u>
Assets:				
Cash	\$ <u>607,409</u>	\$ <u>1,211,184</u>	\$ <u>1,343,882</u>	\$ <u>474,711</u>
Liabilities:				
Deposits Due Others	\$ <u>607,409</u>	\$ <u>1,211,184</u>	\$ <u>1,343,882</u>	\$ <u>474,711</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 17

AGENCY FUND

Schedule of Changes in Deposit Balances of Individual Schools For the Year Ended June 30, 2010

	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
Fifth Ward Elementary School	\$ 10,589	\$ 47,627	\$ 49,653	\$ 8,563
Gramercy Elementary School	17,226	54,934	37,239	34,921
Lutcher Elementary School	21,030	13,682	15,829	18,883
Lutcher High School	324,390	486,406	534,779	276,017
Paulina Elementary	14,200	163,324	170,566	6,958
Romeville Elementary	30,305	13,566	17,231	26,640
St. James High School	56,643	220,625	272,398	4,870
Sixth Ward Elementary School	17,628	51,762	61,064	8,326
Vacherie Elementary School	41,271	52,602	63,551	30,322
Vacherie Primary School	27,486	25,607	35,724	17,369
Career and Technology Center	21,131	45,120	47,595	18,656
Science and Math Academy	25,510	35,929	38,253	23,186
TOTALS	\$ 607,409	\$ 1,211,184	\$ 1,343,882	\$ 474,711

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 18

CAPITAL ASSETS Comparative Statement by Source June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
CAPITAL ASSETS		
Land	\$ 1,370,231	\$ 1,230,581
Buildings and Improvements	64,192,878	56,709,508
Furniture, Fixtures, and Equipment	2,531,346	2,528,889
Work-In-Progress	<u>204,089</u>	<u>4,492,909</u>
TOTAL CAPITAL ASSETS	\$ <u>68,298,544</u>	\$ <u>64,961,887</u>
 SOURCES OF FUNDING FOR CAPITAL ASSETS		
General Fund	\$ 5,016,631	\$ 4,742,982
Special Revenue Funds	1,823,009	1,832,004
Capital Projects Funds	61,279,079	58,207,076
Gifts and Donations	<u>179,825</u>	<u>179,825</u>
TOTAL INVESTMENT IN CAPITAL ASSETS	\$ <u>68,298,544</u>	\$ <u>64,961,887</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 19

CAPITAL ASSETS Statement of Capital Assets by Function June 30, 2010

	<u>LAND</u>	<u>BUILDINGS AND IMPROVEMENTS</u>	<u>FURNITURE, FIXTURES, AND EQUIPMENT</u>	<u>WORK IN PROGRESS</u>	<u>TOTALS</u>
Instructional Services	\$ 1,368,131	\$ 59,438,841	\$ 1,646,769	\$ 46,810	\$ 62,500,551
Support Services	<u>2,100</u>	<u>4,754,037</u>	<u>884,577</u>	<u>157,279</u>	<u>5,797,993</u>
TOTAL CAPITAL ASSETS	\$ <u>1,370,231</u>	\$ <u>64,192,878</u>	\$ <u>2,531,346</u>	\$ <u>204,089</u>	\$ <u>68,298,544</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

Schedule 20

CAPITAL ASSETS
Statement of Changes in Capital Assets by Function
For the Year Ended June 30, 2010

	<u>BALANCE, JULY 1, 2009</u>	<u>ADDITIONS AND RECLASSIFICATIONS</u>	<u>RETIREMENTS DELETIONS, AND RECLASSIFICATIONS</u>	<u>BALANCE, JUNE 30, 2010</u>
Instructional Services	\$ 58,582,006	\$ 7,568,578	\$ 3,650,033	\$ 62,500,551
Support Services	<u>6,379,881</u>	<u>276,981</u>	<u>858,869</u>	<u>5,797,993</u>
TOTAL CAPITAL ASSETS	\$ <u>64,961,887</u>	\$ <u>7,845,559</u>	\$ <u>4,508,902</u>	\$ <u>68,298,544</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

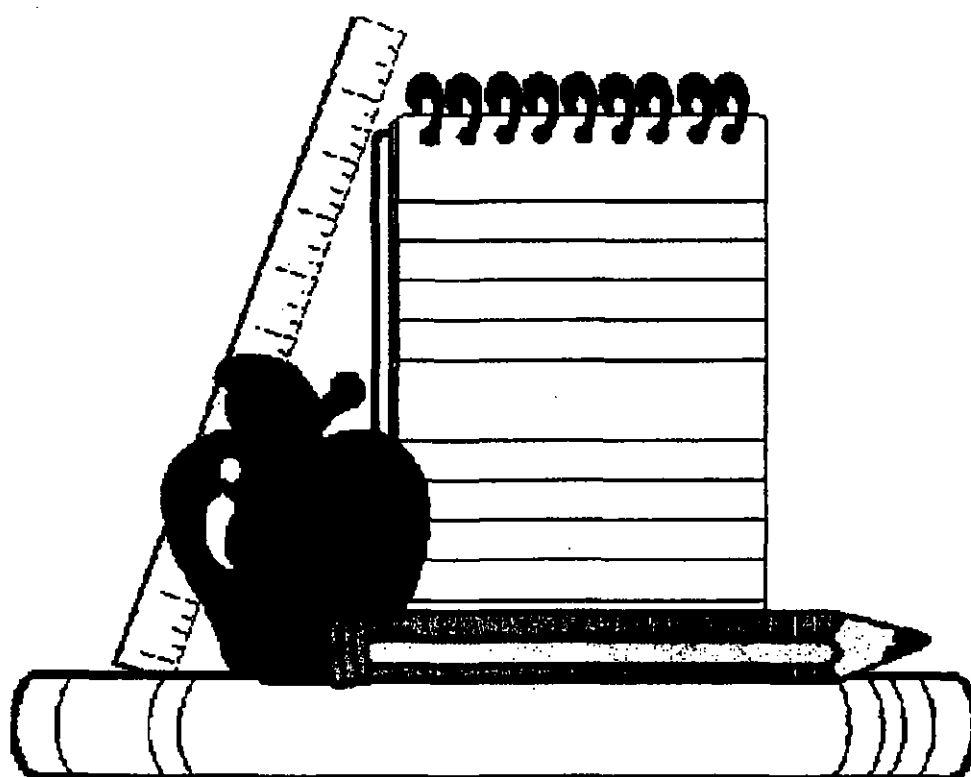
Schedule 21

Schedule of Compensation Paid Board Members For the Year Ended June 30, 2010

The Schedule of Compensation Paid Board Members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the school board members is included in the General Administration line item expenditures in the General Fund. In accordance with Louisiana Statutes Annotated Revised Statute 17:56, the school board members have elected the monthly payment method of compensation. Under this method, each member receives \$800 per month, and the president receives \$900 per month for performing the duties of their office.

SCHOOL BOARD MEMBER	DISTRICT	COMPENSATION PAID
Diana A. Cantillo	1	\$ 9,600
Kenneth J. Foret, Sr	2	9,600
Carol C. Lambert	3	9,600
George N. Nassar, Jr.	4	9,600
Patricia J. Schexnayder	5	9,600
Charles T. Nailor, Sr. (1)	6	10,800
Richard G. Reulet, Jr.	7	9,600
	TOTAL	\$ 68,400

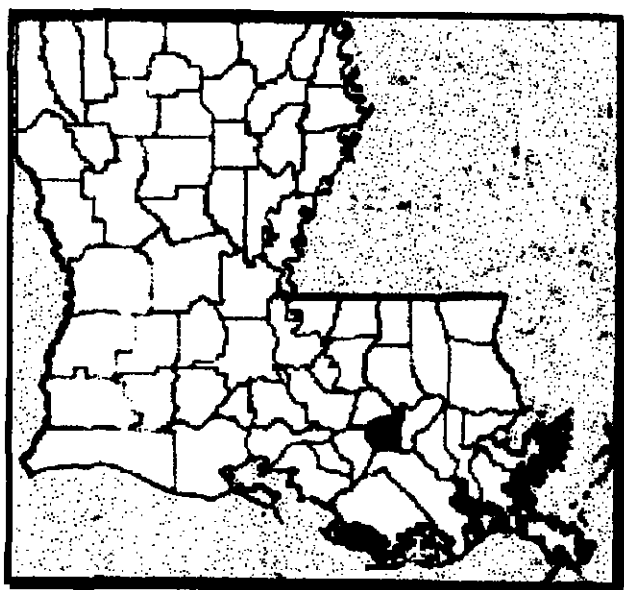
(1) Board President



St. James Parish

SCHOOL BOARD

Lutcher, Louisiana



STATISTICAL SECTION

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

STATISTICAL SCHEDULE DESCRIPTIONS

The Statistical Section of the Comprehensive Annual Financial Reports presents detailed information designed to aid and supplement the readers' understanding of the financial statements, the Notes to Basic Financial Statements, and the required supplementary information presented herein.

FINANCIAL TRENDS – To aid the reader in determining financial position and changes in such over time.

- Net Assets by Component – Last Eight Fiscal Years
- Changes in Net Assets – Last Eight Fiscal Years
- Fund Balances of Governmental Funds – Last Ten Fiscal Years
- Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years

REVENUE CAPACITY – To provide the reader an understanding of revenue-generating ability and limits.

- Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years
- Principal Taxpayers – As of June 30, 2010 and June 30, 2001
- Ad Valorem Tax Rates and Tax Levies – Direct and Overlapping Governments – Last Ten Fiscal Years
- Ad Valorem Tax Levies and Collections – Last Ten Fiscal Years
- Governmental Activities Tax Revenues by Source – Last Ten Fiscal Years

DEBT CAPACITY – To aid the reader in determining outstanding debt and the ability to issue future debt.

- Ratios of Outstanding Debt by Type – Last Ten Fiscal Years
- Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years
- Direct and Overlapping Governmental Activities Debt – As of June 30, 2010
- Legal Debt Margin Information – Last Ten Fiscal Years

DEMOGRAPHIC AND ECONOMIC INFORMATION – To aid the reader in understanding the environment in which The Board's financial activity takes place.

- Demographic and Economic Statistics – Last Ten Fiscal Years
- Principal Employers – As of June 30, 2010 and June 30, 2001

OPERATING INFORMATION – This schedule contains general profile information about The Board.

- Miscellaneous Statistical Data – As of June 30, 2010

ST. JAMES PARISH SCHOOL BOARD**Lutcher, Louisiana**

NET ASSETS BY COMPONENT**For the Last Eight Fiscal Years
(Unaudited)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities				
Invested in Capital Assets, net of related debt	\$ 11,317,460	\$ 12,000,770	\$ 11,731,495	\$ 7,290,650
Restricted	11,824,907	8,559,045	8,631,407	7,739,866
Unrestricted	<u>2,705,186</u>	<u>1,337,897</u>	<u>3,227,037</u>	<u>3,077,878</u>
Total Government Activities Net Assets	\$ <u>25,847,553</u>	\$ <u>21,897,712</u>	\$ <u>23,589,939</u>	\$ <u>18,108,394</u>

The provisions of GASB 34 were implemented in fiscal year 2003, therefore only eight years of data are available.

ST. JAMES PARISH SCHOOL BOARD
Lutcher, Louisiana

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 5,357,371	\$ 5,262,908	\$ 4,699,329	\$ 3,013,339
7,962,368	4,253,651	2,174,972	3,528,082
<u>802,685</u>	<u>(949,342)</u>	<u>(1,696,423)</u>	<u>(1,360,534)</u>
<u>\$ 14,122,424</u>	<u>\$ 8,567,217</u>	<u>\$ 5,177,878</u>	<u>\$ 5,180,887</u>

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

CHANGES IN NET ASSETS
For the Last Eight Fiscal Years (Unaudited)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>EXPENSES</u>				
Governmental Activities				
Instruction:				
Regular Programs	\$ 18,871,543	\$ 21,302,452	\$ 16,802,275	\$ 14,760,523
Special Programs	5,464,718	5,226,730	4,671,131	4,325,514
Vocational Programs	1,305,349	1,269,051	1,030,116	1,050,852
All Other Programs	4,391,683	5,143,792	4,702,367	4,619,939
Support Services:				
Pupil Support	2,653,701	2,488,692	1,639,630	1,706,752
Instructional Staff Support	3,025,846	2,927,686	2,573,862	3,052,023
General Administration	2,783,247	2,660,785	2,986,075	2,648,480
School Administration	3,023,668	2,895,504	2,481,934	2,540,947
Business Services	586,986	595,443	594,886	493,610
Plant Services	5,164,551	7,094,882	4,986,733	5,352,112
Pupil Transportation	2,734,010	2,819,756	2,524,409	2,284,189
Central Services	901,997	1,162,581	881,190	852,493
Food Services	2,870,084	3,004,929	2,668,978	2,570,165
Community Services	15,866	3,967	5,135	8,050
Capital Outlay	722,780	223,379	523,787	12,677
Interest on Long-Term Debt	1,050,983	1,165,484	645,011	721,082
Other	-	614,759	-	-
Total Governmental Activities Expenses	<u>55,567,012</u>	<u>60,599,872</u>	<u>49,717,519</u>	<u>46,999,408</u>
Total Primary Government Expenses	\$ <u>55,567,012</u>	\$ <u>60,599,872</u>	\$ <u>49,717,519</u>	\$ <u>46,999,408</u>
<u>PROGRAM REVENUES</u>				
Governmental Activities				
Charges for Services:				
Food Service	\$ 361,724	\$ 256,705	\$ 252,555	\$ 261,369
Operating Grants and Contributions:				
Regular Programs	1,092,257	668,407	768,711	970,932
Special Programs	1,090,171	795,732	710,696	531,185
Vocational Programs	61,665	56,556	57,286	52,243
All Other Programs	2,166,643	3,100,582	2,967,666	2,933,601
Pupil Support	1,113,895	865,247	228,480	249,826
Instructional Staff Support	750,780	845,808	834,924	1,038,508
General Administration	13,698	6,000	7,025	137,378
School Administration	40,439	-	3,029	19,297
Business Services	10,315	-	-	3,300
Plant Services	391,603	343,464	7,142	114,570
Pupil Transportation	107,689	23,977	45,871	39,435
Central Services	48,574	32,916	64,239	35,485
Food Services	1,812,953	1,738,063	1,676,578	1,545,042
Total Governmental Activities Program Revenues	<u>9,062,406</u>	<u>8,733,457</u>	<u>7,624,202</u>	<u>7,932,171</u>
Total Primary Government Program Revenues	\$ <u>9,062,406</u>	\$ <u>8,733,457</u>	\$ <u>7,624,202</u>	\$ <u>7,932,171</u>

The provisions of GASB 34 were implemented in fiscal year 2003, therefore only eight years of data are available.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 13,699,175	\$ 11,678,317	\$ 12,294,312	\$ 11,334,819
3,794,787	4,056,751	3,718,045	3,389,614
991,556	1,012,595	145,961	1,015,730
5,006,738	4,095,956	1,930,777	1,893,778
1,496,552	1,660,442	1,762,788	1,566,873
2,416,394	2,144,273	1,895,537	1,438,284
2,855,513	2,634,772	2,637,696	2,537,708
2,363,339	2,186,888	2,108,932	2,020,854
457,226	393,043	422,320	385,301
4,137,170	3,608,651	4,926,213	4,922,740
2,164,282	2,014,630	1,995,630	1,785,421
587,276	561,342	567,718	507,675
2,390,201	2,311,045	2,270,280	2,081,626
4,122	10,726	4,735	15,319
109,325	35,673	156,032	385,461
840,630	881,980	1,023,835	1,105,835
<u>43,314,286</u>	<u>39,287,084</u>	<u>37,860,811</u>	<u>36,387,038</u>
\$ <u>43,314,286</u>	\$ <u>39,287,084</u>	\$ <u>37,860,811</u>	\$ <u>36,387,038</u>
\$ 238,565	\$ 248,148	\$ 226,044	\$ 201,906
2,358,102	421,451	315,644	458,422
405,177	524,859	481,490	460,872
68,278	52,956	96,722	261,406
3,170,757	3,081,832	1,582,319	940,009
219,294	326,163	412,934	247,461
1,065,739	927,099	641,017	635,639
190,365	9,200	11,355	20,029
19,738	-	-	-
4,566	-	-	-
122,758	120	1,300	1,463
53,445	23,945	25,394	25,084
33,060	27,557	-	-
<u>2,123,127</u>	<u>2,034,854</u>	<u>2,016,626</u>	<u>1,851,828</u>
<u>10,072,971</u>	<u>7,678,184</u>	<u>5,810,845</u>	<u>5,104,119</u>
\$ <u>10,072,971</u>	\$ <u>7,678,184</u>	\$ <u>5,810,845</u>	\$ <u>5,104,119</u>

(Continued)

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

CHANGES IN NET ASSETS

For the Last Eight Fiscal Years (Unaudited)

	2010	2009	2008	2007
Net (Expense)/Revenue Governmental Activities	<u>(46,504,606)</u>	<u>(51,866,415)</u>	<u>(42,093,317)</u>	<u>(39,067,237)</u>
Total Primary Government Net Expense	\$ <u>(46,504,606)</u>	\$ <u>(51,866,415)</u>	\$ <u>(42,093,317)</u>	\$ <u>(39,067,237)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Taxes:				
Property Taxes, Levied for General Purposes	\$ 13,712,792	\$ 13,234,083	\$ 11,754,593	\$ 10,662,958
Property Taxes, Levied for Debt Service	3,878,920	3,628,141	3,217,234	2,907,160
Sales and Use Taxes,				
Levied for General Purposes	12,736,822	12,689,143	13,276,314	12,148,101
State Revenue Sharing	88,335	91,864	93,415	84,552
Grants and Contributions Not Restricted				
for Specific Purposes:				
Minimum Foundation Program	16,938,681	18,108,607	15,736,238	15,632,368
Interest and Investment Earnings	39,803	424,814	770,043	701,923
Miscellaneous	3,059,094	1,997,536	2,727,025	916,145
Total Governmental Activities	<u>50,454,447</u>	<u>50,174,188</u>	<u>47,574,862</u>	<u>43,053,207</u>
Total Primary Government	\$ <u>50,454,447</u>	\$ <u>50,174,188</u>	\$ <u>47,574,862</u>	\$ <u>43,053,207</u>
Changes in Net Assets:				
Governmental Activities	\$ <u>3,949,841</u>	\$ <u>(1,692,227)</u>	\$ <u>5,481,545</u>	\$ <u>3,985,970</u>
Total Primary Government	\$ <u>3,949,841</u>	\$ <u>(1,692,227)</u>	\$ <u>5,481,545</u>	\$ <u>3,985,970</u>

The provisions of GASB 34 were implemented in fiscal year 2003, therefore only eight years of data are available.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>(33,241,315)</u>	<u>(31,608,900)</u>	<u>(32,049,966)</u>	<u>(31,282,919)</u>
\$ <u><u>(33,241,315)</u></u>	\$ <u><u>(31,608,900)</u></u>	\$ <u><u>(32,049,966)</u></u>	\$ <u><u>(31,282,919)</u></u>
\$ 9,256,755	\$ 8,649,296	\$ 8,956,413	\$ 6,927,179
2,483,590	2,332,719	2,416,053	2,257,561
12,269,371	10,206,332	8,273,407	7,430,204
82,465	86,478	87,438	87,335
13,789,962	12,920,252	11,879,756	9,567,217
439,461	89,904	146,347	171,341
474,918	713,258	287,543	599,698
<u>38,796,522</u>	<u>34,998,239</u>	<u>32,046,957</u>	<u>27,040,535</u>
\$ <u><u>38,796,522</u></u>	\$ <u><u>34,998,239</u></u>	\$ <u><u>32,046,957</u></u>	\$ <u><u>27,040,535</u></u>
\$ <u>5,555,207</u>	\$ <u>3,389,339</u>	\$ <u>(3,009)</u>	\$ <u>(4,242,384)</u>
\$ <u><u>5,555,207</u></u>	\$ <u><u>3,389,339</u></u>	\$ <u><u>(3,009)</u></u>	\$ <u><u>(4,242,384)</u></u>

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

FUND BALANCES OF GOVERNMENTAL FUNDSFor the Last Ten Fiscal Years
(Unaudited)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund:				
Reserved	\$ 9,204,797	\$ 6,061,052	\$ 6,045,874	\$ 5,749,352
Unreserved	<u>6,471,933</u>	<u>5,275,208</u>	<u>5,742,653</u>	<u>5,142,002</u>
Total General Fund	<u>\$ 15,676,730</u>	<u>\$ 11,336,260</u>	<u>\$ 11,788,527</u>	<u>\$ 10,891,354</u>
 All Other Governmental Funds:				
Reserved, Reported in:				
Debt Service Funds	\$ 2,620,110	\$ 2,497,993	\$ 2,585,533	\$ 1,990,514
Capital Projects Funds	<u>7,159,201</u>	<u>10,869,949</u>	<u>15,723,376</u>	<u>-</u>
Total Reserved	<u>9,779,311</u>	<u>13,367,942</u>	<u>18,308,909</u>	<u>1,990,514</u>
 Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 9,779,311</u>	<u>\$ 13,367,942</u>	<u>\$ 18,308,909</u>	<u>\$ 1,990,514</u>

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 6,357,508	\$ 2,763,922	\$ 563,057	\$ 1,971,692	\$ 3,828,443	\$ 2,325,317
<u>2,641,529</u>	<u>951,488</u>	<u>129,218</u>	<u>390,347</u>	<u>1,448,068</u>	<u>461,609</u>
\$ <u>8,999,037</u>	\$ <u>3,715,410</u>	\$ <u>692,275</u>	\$ <u>2,362,039</u>	\$ <u>5,276,511</u>	\$ <u>2,786,926</u>
\$ 1,455,399	\$ 1,369,543	\$ 1,509,552	\$ 1,556,390	\$ 1,780,722	\$ 2,068,147
<u>149,461</u>	<u>120,186</u>	<u>102,363</u>	<u>98,273</u>	<u>1,675,258</u>	<u>3,921,808</u>
<u>1,604,860</u>	<u>1,489,729</u>	<u>1,611,915</u>	<u>1,654,663</u>	<u>3,455,980</u>	<u>5,989,955</u>
-	-	-	-	-	-
\$ <u>1,604,860</u>	\$ <u>1,489,729</u>	\$ <u>1,611,915</u>	\$ <u>1,654,663</u>	\$ <u>3,455,980</u>	\$ <u>5,989,955</u>

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

For the Last Ten Fiscal Years (Unaudited)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>REVENUES</u>				
Ad Valorem Taxes	\$ 17,591,712	\$ 16,862,224	\$ 14,971,827	\$ 13,570,118
Sales and Use Taxes	12,736,822	12,689,143	13,276,314	12,148,101
Charges for Services	361,724	256,705	252,555	261,369
Interest Earnings	39,803	424,814	770,043	701,923
Other Local	1,015,425	759,501	952,947	817,609
Minimum Foundation Program	16,938,681	18,108,607	15,736,238	15,632,368
Other State	2,158,938	3,017,697	2,939,023	1,041,803
Federal Grants	7,332,975	6,788,955	6,206,702	6,532,936
Total Revenues	<u>58,176,080</u>	<u>58,907,646</u>	<u>55,105,649</u>	<u>50,706,227</u>
<u>EXPENDITURES</u>				
Current:				
Instruction	28,835,560	31,726,893	26,976,671	24,513,700
Support Services	22,055,314	22,752,734	20,036,711	20,070,204
Capital Outlay	4,075,430	5,919,928	3,959,045	1,686,498
Debt Service:				
Principal	2,747,727	2,622,727	2,007,727	1,912,727
Interest	1,164,097	1,278,598	816,844	721,082
Total Expenditures	<u>58,878,128</u>	<u>64,300,880</u>	<u>53,796,998</u>	<u>48,904,211</u>
Excess Revenues / (Expenditures)	(702,048)	(5,393,234)	1,308,651	1,802,016
<u>OTHER FINANCING SOURCES / (USES):</u>				
Insurance Proceeds	1,453,887	-	51,734	475,955
Operating Transfers In	975,231	1,276,021	899,569	1,032,072
Operating Transfers (Out)	(975,231)	(1,276,021)	(899,569)	(1,032,072)
Bond Issue Proceeds	-	-	15,900,000	-
Payments to Refunding Bonds Escrow Agent	-	-	-	-
Bond Issuance Costs	-	-	(50,712)	-
Accrued Premium and Interest on Bonds Sold	-	-	5,895	-
Total Other Financing Sources / (Uses)	<u>1,453,887</u>	<u>-</u>	<u>15,906,917</u>	<u>475,955</u>
NET CHANGES IN FUND BALANCES	\$ <u>751,839</u>	\$ <u>(5,393,234)</u>	\$ <u>17,215,568</u>	\$ <u>2,277,971</u>
 Debt Service as a Percentage of Noncapital Expenditures	 7.69%	 7.16%	 6.01%	 5.91%

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

2006	2005	2004	2003	2002	2001
\$ 11,740,345	\$ 10,982,015	\$ 11,372,466	\$ 9,184,740	\$ 8,657,395	\$ 8,738,635
12,269,371	10,206,332	8,273,407	7,430,204	10,713,686	8,745,885
238,565	248,148	226,044	201,906	210,150	218,077
441,720	89,904	146,347	171,341	376,090	575,382
588,926	510,404	543,828	667,104	611,075	524,045
13,789,962	12,920,252	11,879,756	9,567,217	9,797,456	9,234,988
1,032,212	952,060	950,260	870,247	769,104	969,485
8,289,674	6,767,308	4,465,694	4,043,009	3,909,901	3,538,380
<u>48,390,775</u>	<u>42,676,423</u>	<u>37,857,802</u>	<u>32,135,768</u>	<u>35,044,857</u>	<u>32,544,877</u>
22,825,286	20,866,209	19,528,284	17,562,762	18,506,319	17,314,945
17,414,049	15,805,614	15,867,031	14,591,827	11,663,010	11,691,721
109,325	453,944	1,183,437	3,751,111	3,117,744	2,692,124
1,802,727	1,767,727	1,967,727	1,712,727	1,503,182	1,235,000
927,187	881,980	1,023,835	1,108,130	1,255,849	1,197,191
<u>43,078,574</u>	<u>39,775,474</u>	<u>39,570,314</u>	<u>38,726,557</u>	<u>36,046,104</u>	<u>34,130,981</u>
5,312,201	2,900,949	(1,712,512)	(6,590,789)	(1,001,247)	(1,586,104)
-	-	-	-	-	-
741,626	684,706	595,101	1,055,008	844,921	1,850,503
(741,626)	(684,706)	(595,101)	(1,055,008)	(844,921)	(1,850,503)
4,245,000	3,925,000	-	1,875,000	8,990,000	6,000,000
(4,158,443)	(3,925,000)	-	-	(8,033,116)	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>86,557</u>	<u>-</u>	<u>-</u>	<u>1,875,000</u>	<u>956,884</u>	<u>6,000,000</u>
\$ <u>5,398,758</u>	\$ <u>2,900,949</u>	\$ <u>(1,712,512)</u>	\$ <u>(4,715,789)</u>	\$ <u>(44,363)</u>	\$ <u>4,413,896</u>
6.78%	7.23%	8.45%	8.77%	9.15%	8.38%

Concluded

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**For the Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Total Assessed Value	Amount of Homestead Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2010	\$ 423,577,955	\$ 39,030,030	\$ 384,547,925	43.96	\$ 3,495,890,227	11%
2009	398,981,112	38,563,491	360,417,621	43.96	3,276,523,827	11%
2008	348,336,210	34,736,383	313,599,827	45.06	2,850,907,518	11%
2007	334,034,735	33,400,522	300,634,213	45.06	2,733,038,300	11%
2006	288,010,379	32,437,997	255,572,382	45.06	2,323,385,291	11%
2005	268,215,130	31,940,619	236,274,511	45.06	2,147,950,100	11%
2004	265,227,638	30,136,971	235,090,667	45.06	2,137,187,882	11%
2003	256,312,419	29,812,114	226,500,305	38.06	2,059,093,682	11%
2002	247,464,754	29,206,176	218,258,578	38.06	1,984,168,891	11%
2001	244,912,917	26,414,899	218,498,018	38.06	1,986,345,618	11%

Source: St. James Parish Assessor's Office

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

PRINCIPAL TAXPAYERS

As of June 30, 2010 and June 30, 2001
(Unaudited)

<u>Taxpayer</u>	<u>2010</u>			<u>2001</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Motiva, Inc.	\$ 91,848,057	1	21.68%	\$ 56,557,830	1	23.09%
Mosaic Fertilizer LLC - Agrico	30,751,718	2	7.26%	21,633,700	2 (1)	8.83%
American Styrenics	18,360,707	3	4.33%	10,942,360	5	4.47%
Valero Marketing & Supply	14,537,363	4	3.43%	8,300,040	-	3.39%
Noranda Alumina, LLC	12,006,848	5	2.83%	11,694,320	4	4.77%
Plains Marketing, LP	15,002,481	6	3.54%	-	-	-
Occidental Chemical Corp.	10,840,976	7	2.56%	12,071,490	3	4.93%
Imperial Savannah LP	10,757,618	8	2.54%	-	-	-
Entergy Louisiana Inc.	10,291,300	9	2.43%	7,173,740	7	2.93%
Zen-Noh Grain Corp.	9,994,622	10	2.36%	6,867,280	8	2.80%
Capline System	-	-	-	7,217,810	6	2.95%
LoCap, Inc.	-	-	-	6,144,050	9	2.51%
TOTALS	\$ <u>224,391,690</u>		<u>52.98%</u>	\$ <u>148,602,620</u>		<u>60.68%</u>

Source: St. James Parish Assessor's Office

(1) 2001's tenth-ranked IMC-Agrico (Freeport-McMoran) has since been consolidated with Mosaic Fertilizer.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

AD VALOREM TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS For the Last Ten Fiscal Years (Unaudited)

TAX RATES (Mills per Dollar)

<u>Fiscal Year</u>	<u>Sheriff's Office</u>	<u>School Taxes</u>	<u>Road Taxes</u>	<u>Parish Council</u>	<u>Recreation Districts</u>
2010	20.96	43.96	5.97	22.97	6.71
2009	20.96	43.96	5.94	23.08	6.72
2008	20.96	45.06	5.97	23.92	7.23
2007	20.96	45.06	6.00	24.65	5.61
2006	20.96	45.06	6.25	25.15	5.61
2005	20.96	45.06	6.25	25.15	5.56
2004	20.96	45.06	6.25	25.15	5.61
2003	20.65	38.06	6.25	25.15	5.61
2002	20.65	38.06	6.25	26.85	5.61
2001	20.65	38.06	6.25	26.85	5.61

TAX LEVIES

<u>Fiscal Year</u>	<u>Sheriff's Office</u>	<u>School Taxes</u>	<u>Road Taxes</u>	<u>Parish Council</u>	<u>Recreation Districts</u>
2010	\$ 8,060,144	\$ 16,904,739	\$ 2,250,138	\$ 8,833,083	\$ 432,539
2009	7,554,373	15,843,971	2,095,491	8,318,457	464,293
2008	6,573,064	14,130,810	1,829,195	7,410,654	424,784
2007	6,302,076	13,546,580	1,757,574	7,410,654	268,314
2006	5,356,808	11,516,093	1,541,202	6,427,665	253,544
2005	4,952,325	10,646,532	1,433,172	5,942,324	205,626
2004	4,927,512	10,593,185	1,423,103	5,912,549	216,839
2003	4,892,853	8,938,024	1,436,600	6,038,921	214,479
2002	4,507,041	8,306,924	1,319,130	5,860,244	188,355
2001	4,524,668	8,486,395	1,322,715	5,888,634	196,465

Source: St. James Parish Assessor's Office

<u>Public Safety</u>	<u>Detention Center</u>	<u>Levee Districts</u>	<u>Drainage Taxes</u>	<u>Fire Protection</u>	<u>Other Taxes</u>	<u>Parish Totals</u>
5.19	0.99	7.43	2.98	0.74	2.61	120.51
5.03	0.96	7.43	2.98	0.72	2.61	120.39
5.19	0.99	7.67	2.98	0.74	2.35	123.06
5.19	1.00	7.72	3.00	0.74	2.70	122.63
5.19	1.00	7.76	3.00	0.74	2.70	123.42
5.19	1.00	7.76	3.00	0.74	1.69	122.36
5.19	1.00	7.76	3.00	0.74	1.70	122.42
5.19	1.00	7.91	3.00	0.74	1.68	115.24
5.19	1.00	6.94	1.96	0.74	81.60	194.85
5.19	1.00	6.94	1.96	0.74	81.60	194.85

<u>Public Safety</u>	<u>Detention Center</u>	<u>Levee Districts</u>	<u>Drainage Taxes</u>	<u>Fire Protection</u>	<u>Other Taxes</u>	<u>Parish Totals</u>
\$ 1,995,816	\$ 380,703	\$ 1,409,209	\$ 1,145,958	\$ 250,812	\$ 893,579	\$ 42,556,720
1,812,906	346,001	1,331,826	1,074,050	225,806	840,733	39,907,907
1,627,588	310,452	1,187,161	934,529	200,244	841,316	35,469,797
1,560,296	300,636	1,144,508	901,905	188,249	724,363	34,105,155
1,326,425	255,574	980,343	766,719	155,887	617,873	29,198,133
1,226,269	236,277	907,582	708,826	149,055	329,410	26,737,398
1,220,126	235,091	902,746	705,273	146,602	330,416	26,613,442
1,229,736	236,943	924,415	710,828	149,111	328,235	25,100,145
1,132,762	218,259	778,108	427,787	134,875	305,067	23,178,552
1,139,082	218,214	784,915	427,701	136,166	307,012	23,431,967

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

AD VALOREM TAX LEVIES AND COLLECTIONS

For the Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year</u>	<u>Amount of Tax Levied</u>	<u>Amount of Tax Collected</u>	<u>Percent of Levy Collected</u>
2010	\$ 16,904,739	\$ 17,079,415	101.03%
2009	15,843,971	15,957,618	100.72%
2008	14,130,810	14,496,769	102.59%
2007	13,546,580	13,098,602	96.69%
2006	11,516,093	11,190,464	97.17%
2005	10,646,532	10,427,767	97.95%
2004	10,593,185	10,353,016	97.73%
2003	8,938,024	8,692,991	97.26%
2002	8,306,924	8,163,169	98.27%
2001	8,486,395	8,244,409	97.15%

Amount of Tax Levied represents Assessor's original levy less homestead exemption.

Source: St. James Parish Assessor

Amount of Tax Collected represents School Board levies and collections only. Amounts do not include payments-in-lieu of taxes, which are reported on the basic financial statements in the Ad Valorem Taxes line item. Source: St. James Parish School Board.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

For the Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year</u>	<u>Ad Valorem Tax and Revenue Sharing</u>	<u>Sales and Use Tax</u>	<u>Totals</u>
2010	\$ 17,680,047	\$ 12,736,822	30,416,869
2009	16,954,088	12,689,143	29,643,231
2008	15,065,242	13,276,314	28,341,556
2007	13,654,670	12,148,101	25,802,771
2006	11,822,810	12,269,371	24,092,181
2005	11,068,493	10,206,332	21,274,825
2004	11,459,904	8,273,407	19,733,311
2003	9,272,075	7,430,204	16,702,279
2002	6,595,601	10,713,686	17,309,287
2001	6,653,992	8,745,885	15,399,877

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

RATIOS OF OUTSTANDING DEBT BY TYPE

For the Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities		Total Primary Government	Parish Population	Per Capita
	General Obligation Bonds	Certificates of Indebtedness			
2010	\$ 24,100,000	\$ 1,180,002	\$ 25,280,002	22,884	\$ 1,105
2009	26,595,000	1,432,729	28,027,729	22,305	1,257
2008	28,975,000	1,675,456	30,650,456	22,212	1,380
2007	14,850,000	1,908,183	16,758,183	21,791	769
2006	16,540,000	2,130,910	18,670,910	21,091	885
2005	17,870,000	2,343,637	20,213,637	21,208	953
2004	19,285,000	2,546,364	21,831,364	21,112	1,034
2003	20,285,000	3,104,091	23,389,091	21,139	1,106
2002	21,235,000	1,606,818	22,841,818	21,293	1,073
2001	22,700,000	915,000	23,615,000	21,221	1,113

With the exception of the 2001 population which is based on the 2000 United States Census, populations are from Research Division, College of Administration and Business, Louisiana Tech University.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

For the Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2010	\$ 24,100,000	\$ 2,620,110	\$ 21,479,890	0.61%	\$ 939
2009	26,595,000	2,497,993	24,097,007	0.74%	1,080
2008	28,975,000	2,585,533	26,389,467	0.93%	1,188
2007	14,850,000	1,990,514	12,859,486	0.47%	590
2006	16,540,000	1,455,399	15,084,601	0.65%	715
2005	17,870,000	1,369,543	16,500,457	0.77%	778
2004	19,285,000	1,509,552	17,775,448	0.83%	842
2003	20,285,000	1,556,930	18,728,070	0.91%	886
2002	21,235,000	1,780,722	19,454,278	0.98%	914
2001	22,700,000	2,068,147	20,631,853	1.04%	972

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2010

(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
St. James Parish Council (1)	\$ 7,995,000	100%	\$ 7,995,000
Town of Lutcher (2)	126,000	100%	126,000
Town of Gramercy	<u>480,000</u>	100%	<u>480,000</u>
Subtotal, Overlapping Debt	8,601,000		8,601,000
St. James Parish School Board	<u>24,100,000</u>	100%	<u>24,100,000</u>
Total Direct and Overlapping Debt	\$ <u><u>32,701,000</u></u>		\$ <u><u>32,701,000</u></u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the parish.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of St. James Parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of The Board's taxable assessed value that is within the government's boundaries and dividing it by the parish's total taxable assessed value.

(1) As of December 31, 2009

(2) As of April 30, 2010

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

LEGAL DEBT MARGIN INFORMATION

For the Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</u>
2010	\$ 148,252,284	\$ 24,100,000	\$ 124,152,284	16.26%
2009	139,643,389	26,595,000	113,048,389	19.04%
2008	121,917,674	28,975,000	92,942,674	23.77%
2007	116,912,157	14,850,000	102,062,157	12.70%
2006	100,803,633	16,540,000	117,343,633	16.41%
2005	93,875,296	17,870,000	111,745,296	19.04%
2004	92,829,673	19,285,000	112,114,673	20.77%
2003	89,709,347	20,285,000	109,994,347	22.61%
2002	86,612,664	21,235,000	107,847,664	24.52%
2001	85,719,521	22,700,000	108,419,521	26.48%

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed Value	\$ 423,577,955
Debt Limit - 35% of Assessed Value (1)	148,252,284
Less: Amount of Debt Applicable to Debt Limit:	
Bonded Debt	<u>24,100,000</u>
Legal Debt Margin	<u>\$ 124,152,284</u>

(1) State law allows a maximum of 35% of assessed valuation for total bonded general obligation debt.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

DEMOGRAPHIC AND ECONOMIC STATISTICS**For the Last Ten Fiscal Years
(Unaudited)**

<u>Fiscal Year</u>	(1) <u>Estimated Population</u>	(1) <u>Per Capita Income</u>	(2) <u>Median Age</u>	<u>Public Enrollment</u>	<u>Non-Public Enrollment</u>	(3) <u>Jobless Rate</u>
2010	22,884	\$ 17,594	36.6	3,968	244	12.9%
2009	22,305	17,012	36.9	3,987	226	12.1%
2008	22,212	16,997	36.6	4,156	229	11.8%
2007	21,198	17,614	35.1	3,779	356	12.6%
2006	21,091	18,411	34.0	3,712	384	12.5%
2005	21,208	18,308	33.6	3,697	388	12.7%
2004	21,112	18,221	33.9	3,761	391	11.4%
2003	21,139	18,212	33.8	3,892	381	11.1%
2002	21,293	18,144	34.0	3,883	376	12.6%
2001	21,221	19,105	32.8	4,081	388	9.9%

(1) Source: Louisiana Tech University College of Administration and Business. 2010 amount is estimated.

(2) Source: 2000 age is from 2000 U.S. Census of Population. All other amounts are projections from the Louisiana Department of Economic Development.

(3) Source: Center for Business and Economic Research, University of Louisiana at Monroe.

ST. JAMES PARISH SCHOOL BOARD**Lutcher, Louisiana**

PRINCIPAL EMPLOYERS**As of June 30, 2010 and June 30, 2001
(Unaudited)**

Employer	Type of Business	2010		2001	
		Rank	Number of Employees	Rank	Number of Employees
St. James Parish School Board	Public Education	1	605	1	615
Motiva, Inc.	Petroleum Refinery	2	535	2	525
Noranda Alumina, LLC	Chemical Plant	3	505	3	500
St. James Parish Council	Parish Government	4	370	4	300
Imperial Savannah LLP	Sugar Refinery	5	335	6	226
Mosaic Fertilizer, LLP	Fertilizer Manufacturer	6	240	5	261
American Styrenics	Chemical Plant	7	138	8	134
Occidental Chemical Corp.	Chemical Plant	8	135	8	134
Zen-Noh Grain Corp.	Grain Processor	9	122	10	130
Zapp's Potato Chips	Potato Chip / Snacks	10	100	-	-
Winn Dixie	Retail Grocery	-	-	7	145

Source: St. James Parish Council.

ST. JAMES PARISH SCHOOL BOARD

Lutcher, Louisiana

MISCELLANEOUS STATISTICAL DATA (Unaudited)

As of and For the Year Ended June 30, 2010

Year of Incorporation	1921
Form of Government	President / School Board
Area of Parish	249.8 Square Miles
Regular School Term	180 Days

ST. JAMES PARISH PUBLIC SCHOOLS

<u>Grade Level</u>	<u>Number of Schools</u>	<u>Student Enrollment</u>
K - 1	1	144
K - 6	6	1,727
2 - 6	1	246
7 - 12	2	1,851
TOTALS	10	3,968

<u>Academic Degree</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
Bachelor's	239	69.68%
Master's	74	21.57%
Master's + 30 Hours	25	7.29%
Education Specialist	4	1.17%
Doctorate	1	0.29%
TOTALS	343	100.00%

<u>Years of Experience</u>		
0 - 9	179	52.19%
10 - 19	95	27.70%
20 - 24	27	7.87%
25 and Over	42	12.24%
TOTALS	343	100.00%

ST. JAMES PARISH SCHOOL BOARD

**REPORTS ON COMPLIANCE, INTERNAL CONTROL
AND AGREED UPON PROCEDURES**

JUNE 30, 2010

ST. JAMES PARISH SCHOOL BOARD

**REPORTS ON COMPLIANCE, INTERNAL CONTROL
AND AGREED UPON PROCEDURES**

JUNE 30, 2010

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the St. James Parish School Board

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. James Parish School Board as of and for the year ended June 30, 2010, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated January 6, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered St. James Parish School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. James Parish School Board's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the St. James Parish School Board's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting, item 2010-01. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. James Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and

questioned costs as items 2010-02, 2010-03, and 2010-04.

We noted certain matters that we reported to management of St. James Parish School Board, in a separate letter dated January 6, 2011.

St. James Parish School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit St. James Parish School Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the School Board, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwait & Metterville

January 6, 2011



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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the St. James Parish School Board

Compliance

We have audited St. James Parish School Board's with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of St. James Parish School Board's major federal programs for the year ended June 30, 2010. St. James Parish School Board's major federal programs are identified in the summary of auditor's result section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of St. James Parish School Board's management. Our responsibility is to express an opinion on St. James Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about St. James Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on St. James Parish School Board's compliance with those requirements.

In our opinion, St. James Parish School Board's complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2010-02, 2010-03, and 2010-04.

Internal Control Over Compliance

Management of St. James Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered St. James Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for

the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of St. James Parish School Board's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

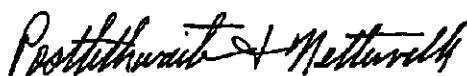
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2010-02, 2010-03, and 2010-04. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

St. James Parish School Board's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit St. James Parish School Board's response and, accordingly, we express no opinion on the responses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. James Parish School Board as of and for the year ended June 30, 2010, and have issued our report thereon dated January 6, 2011. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by OMB Circular A-133 and is not required as a part of the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information of the School Board, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



January 6, 2011

ST. JAMES PARISH SCHOOL BOARD, LUTCHER, LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2010

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Award Number</u>	<u>Federal Expenditures</u>
Passed Through Louisiana			
Department of Education:			
National School Lunch	10.555	N/A	\$ 1,120,740
School Breakfast Program	10.553	N/A	505,346
Summer School Program	10.559	N/A	74,614
CNP Federal Stimulus Grant - ARRA	10.579	N/A	22,899
Passed Through Louisiana			
Department of Agriculture:			
Commodities Food Distribution	10.550	N/A	89,354
<i>Total U.S. Department of Agriculture</i>			<u>1,812,953</u>
<i>U.S. Department of Education:</i>			
Direct Programs:			
Literacy and School Libraries	84.364A	S364A080049	62,219
Passed Through Louisiana			
Department of Education:			
Vocational Education Act of 1968	84.048A	V048A090018	47,244
Improving America's Schools Act (IASA):			
Title I - Grants to Local Education Agencies	84.010A	S010A090018	1,065,436
Title I - Grants to Local Education Agencies, ARRA	84.389A	S389A090018A	308,324
Title II - Teacher and Principal Training & Recruiting	84.367A	S367A090017	215,473
Title IV - Drug-Free Schools	84.186A	Q186A090019	18,046
21st Century	84.287C	N/A	149,720
Title VI - Rural Education	84.358B	S358B090018	98,713
School Improvement	84.377A	S377A070019	86,769
State Fiscal Stabilization Fund, ARRA	84.394A	S394A090019	534,221
Reading First	84.357A	S357A080019	14,882
<i>Total U.S. Department of Education, carried forward</i>			\$ <u>2,601,047</u>

ST. JAMES PARISH SCHOOL BOARD, LUTCHER, LOUISIANA

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2010

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Award Number</u>	<u>Federal Expenditures</u>
<i>Total U.S. Department of Education, carried forward</i>			\$ 2,601,047
U.S. Department of Education (continued):			
Passed Through Louisiana			
Department of Education (continued):			
Individuals With Disabilities Education Act (IDEA):			
Special Education Part B:	84.027A	H027A090033	981,697
Special Education, ARRA:	84.391A	H391A090033	501,345
Preschool Incentive:	84.173A	H173A090082	63,701
Preschool Incentive, ARRA:	84.392A	H392A090082	13,960
Education Technology - TLTC	84.318X	S318X090018	244,778
Education Technology - EETT	84.318X	S318X090018	14,524
Education Technology - Connected Tech, ARRA	84.386A	S386A090018	110,725
Education Technology - High Tech, ARRA	84.386A	S386A090018	332,305
Education Technology - EETT, ARRA	84.386A	S386A090018	14,796
<i>Total U.S. Department of Education</i>			<u>4,878,878</u>
U.S. Department of Health and Human Services:			
Passed Through Louisiana			
TANF	93.558B	G0902LATANF	169,932
<i>Total U.S. Department of Health and Human Services</i>			<u>169,932</u>
U.S. Department of Homeland Security:			
Public Assistance Grant-FEMA	97.036	N/A	362,352
<i>Total U.S. Department of Homeland Security</i>			<u>362,352</u>
U.S. Department of Defense:			
ROTC Grant	none	N/A	108,860
<i>Total U.S. Department of Defense</i>			<u>108,860</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u>7,332,975</u>

ST. JAMES PARISH SCHOOL BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of St. James Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2010, the organization had food commodities totaling \$1,761 in inventory.

NOTE C – RECONCILIATION TO FINANCIAL STATEMENTS

Total Federal Awards Expenditures per schedule	<u>\$ 7,332,975</u>
General fund	\$1,005,433
Non-major funds	<u>6,327,542</u>
Total federal revenue (all funds) in the Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended June 30, 2010	<u>\$ 7,332,975</u>

ST. JAMES PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☒ yes ☐ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ☒ yes ☐ no

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

84.010A/84.389A

Title I, Part A Cluster

84.027A/84.391A/84.173A/84.392A

Special Education Cluster

84.318X/84.386A

Educational Technology State Grants Cluster

84.394A

State Fiscal Stabilization Fund – ARRA

10.553/10.555/10.550/10.559

Child Nutrition Cluster

ST. JAMES PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

SECTION I - SUMMARY OF AUDIT RESULTS (continued)

Dollar threshold used to distinguish between
type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? yes x no

SECTION II – FINANCIAL STATEMENT FINDINGS

2010-01 Internal control over general ledger reconciling and reviewing

Criteria: Controls should exist over reconciling and reviewing general ledger accounts to supporting schedules and/or sub ledgers on a timely basis.

Condition: General ledger accounts were not reconciled or reviewed on a timely basis.

Effect: Because significant emphasis was not placed on ensuring account records were reconciled and reviewed timely, some financial reports were inaccurate and financial statements were not prepared on a timely basis.

Cause: The School Board did not have any independent individual monitoring or reviewing the timeliness of the year end reconciliations of general ledger accounts.

Recommendation: Management should establish procedures to assign an independent individual to review and monitor all reconciliations of the general ledger to ensure they are complete, accurate, and prepared on a timely basis.

Views of responsible officials and planned corrective actions:
Procedures will be implemented to assign an independent individual to oversee and review the monthly reports and various reconciliations of the general ledger.

ST. JAMES PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

DEPARTMENT OF EDUCATION

Grant Award #

IDEA Part B – CFDA No. 84.027A

H027A090033

2010-02 ALLOWABLE COSTS

Criteria: The School Board should have procedures in place to ensure that payroll cost reports agree to employee time and effort distribution records.

Condition: During testing of compliance requirement for Allowable Costs, it was noted that an incorrect allocation was made for one employee's salary and benefits for the periods of 3/2010 through 6/2010. Based on the signed time and effort certifications, the employee's salary and benefits should have been 40% to IDEA and 60% to General Fund. Instead, IDEA was charged 100% of the employee's salary and benefits.

Questioned costs: \$11,512

Context: One of the 29 employees paid with IDEA funds was incorrectly allocated.

Effect: The School Board incorrectly allocated an employee's time and effort to the wrong program or cost objective.

Cause: There were no procedures in place to ensure that the payroll cost reports agreed to the employee time and effort distribution records for four months.

Recommendation: Procedures need to be established to ensure that payroll cost reports agree to employee time and effort distribution records on a monthly basis.

Views of responsible officials and planned corrective actions:

The School Board has implemented procedures to ensure that payroll cost reports agree to employee time and effort distribution records on a monthly basis.

ST. JAMES PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

DEPARTMENT OF EDUCATION

National School Lunch – CFDA No. 10.555

2010-03 SUSPENSION AND DEBARMENT

Criteria: Non-federal entities are prohibited from contracting with parties that are suspended or debarred. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded.

Condition: During testing of compliance requirement for Suspension and Debarment, there were no procedures in place to verify that a maintenance vendor contract over \$25,000 was not suspended or debarred.

Questioned costs: \$44,178

Context: One of the eight vendors tested did not have verification that the entity was not suspended or debarred.

Effect: Expenditures could have been made to vendors that are suspended or debarred.

Cause: The vendor was an entity that had been contracted with in prior years for maintenance type services and the test of suspension and debarment was not performed on this entity.

Recommendation: Procedures need to be established to verify if a vendor is suspended or debarred by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

Views of responsible officials and planned corrective actions:

The School Board has implemented a policy and procedure to verify that any contract entered into with a vendor that is over \$25,000 must have documented certifications that the vendor is not suspended or debarred from covered transactions.

ST. JAMES PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

2010-04

REPORT SUBMISSION

Criteria:

Sec. 320 (a) of the OMB Circular A-133 requires that the prior two years audit reports be submitted to the Federal Audit Clearinghouse (FAC) 30 days after the reports are received from the auditor or nine months after year end in order for an entity to be considered a low-risk auditee for the current year.

Condition:

The School Board did not submit the required OMB Circular A-133 audit reporting package and data collection form to the FAC for the prior audit period within nine months after year end.

Effect:

The School Board is not considered a low-risk auditee.

Cause:

The School Board did not have any individual responsible for monitoring whether the submission of the required OMB Circular A-133 audit reporting package and data collection form was completed and received by the FAC nine months after the end of the audit period.

Recommendation:

An individual should be designated to ensure that reporting packages and data collection forms are submitted to the FAC the earlier of 30 days after the reports are received from the auditor or nine months after year end.

Views of responsible officials and planned corrective actions:

The School Board has designated a individual to ensure that audit reporting packages and data collection forms are submitted to the FAC by the due date.

ST. JAMES PARISH SCHOOL BOARD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2010

SECTION I - FINANCIAL STATEMENT FINDINGS

None

SECTION II - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

<i>DEPARTMENT OF EDUCATION</i>	<i>Grant Award #</i>	<i>Questioned Costs</i>
IDEA Part B – CFDA No. 84.027A	H027A060033	\$13,301

2009-01 ALLOWABLE COSTS

Finding: The School Board was unable to provide semi-annual employee time certifications for an employee paid solely with IDEA funds and monthly time and effort distribution records for four out of ten months for an employee paid with a portion of IDEA funds.

Action taken: Administration will establish and implement such procedures.

Similar finding noted in current year.

***U.S. DEPARTMENT OF HOMOLAND SECURITY
& DEPARTMENT OF EDUCATION***

Grant Award #

Public Assistance Grants – FEMA – CFDA No. 97.036

IDEA Part B – CFDA No. 84.027A

H027A060033

2009-02 SUSPENSION AND DEBARMENT

Finding: The School Board does not have a system in place for verification of suspension and debarment.

Action taken: Administration will establish and implement such procedures.

Similar finding noted in current year.

ST. JAMES PARISH SCHOOL BOARD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2010

SECTION III – MANAGEMENT LETTER COMMENTS

PHYSICAL SECURITY/BACKUP PROCEDURES

Finding: The School Board currently does not have an official Disaster Recovery Plan in place. The School Board also stores all backups onsite.

Management's Response: Administration has developed a disaster recovery protocol with appropriate involvement and approval from applicable personnel and managerial levels. Administration has secured copies of all backup data.

SCHOOL ACTIVITY FUNDS

Finding: The School System became aware of possible misappropriation of school activity funds at one of its schools. Three fundraising events took place during the year in which the proceeds were not deposited in the school's bank account and there was not an accounting of the money collected or disbursed. The School in question is in violation of the Louisiana R.S. 17:414.3 (B) (1) as well as the School Boards policy for School Activity Funds.

Management's Response: Administration has continued to educate all pertinent parties involved with School Activity Funds and has assigned an individual to examine the School Activity Funds accounting and reporting procedures.

ST. JAMES PARISH SCHOOL BOARD
ST. JAMES, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2010

Schedule A - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule B - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule C - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule D - Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule E - Public School Staff Data: Average Salaries

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule F - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule G - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule H - The Graduation Exit Exam (GEE)

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule I - iLeap Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank *showing* relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation.



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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Members of the
St. James Parish School Board

Page 1 of 4

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of St. James Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of St. James Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule A)
Procedure #1:

We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Results of procedure # 1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule B)

Procedure # 2

We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule D) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Results of Procedure # 2:

No differences were noted between the number of full-time classroom teachers per schedule D and schedule B, or between the schedules and the Oct. 1 payroll records.

Procedure # 3

We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule D) to the combined total of principals and assistant principals per this schedule.

Results of procedure # 3

No differences were noted between the number of principals and assistant principals per schedule D and schedule B, or between the schedules and the Oct. 1 payroll records.

Procedure # 4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Results of Procedure # 4:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Number and Type of Public Schools (Schedule C)

Procedure # 5

We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the National School Lunch Program (CFDA 10.555) application.

Results of Procedure # 5:

We noted no discrepancies between the schools as listed in the National School Lunch Program application and the list supporting the schools represented in the schedule.

Experience of Public Principals and Full-time Classroom Teachers (Schedule D)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Results of Procedure # 6:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Public Staff Data (Schedule E)

Procedure # 7

We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Results of procedure # 7:

In our sample of 25, the individual's salary, extra compensation and full-time equivalents were properly included on the schedule.

Procedure # 8

We recalculated the average salaries and full-time equivalents reported in the schedule.

Results of procedure # 8:

We noted no differences in the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule F)

Procedure # 9

We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule C data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Results of Procedure # 9

In our sample of 10 classes, St. James Parish School Board was unable to provide 1 rollbook for the sample selected.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule G)

Procedure # 10

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the St. James Parish School Board.

Results of Procedure # 10:

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule H)

Procedure # 11

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the St. James Parish School Board.

Results of Procedure #11

We noted no differences in the scores reported in the schedule compared to the test scores provided by the testing authority.

The iLeap Tests (Schedule I)

Procedure # 12

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the St. James Parish School Board.

Results of Procedure # 12

No differences were noted.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of St. James Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwait & Nettaville

January 6, 2011

Schedule A

**ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA**

**General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2009-2010**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 18,472,234	
Other Instructional Staff Activities	19,003	
Instructional Staff Employee Benefits	5,753,003	
Purchased Professional and Technical Services	386,700	
Instructional Materials and Supplies	569,658	
Instructional Equipment	68,957	
Total Teacher and Student Interaction Activities		\$ 25,289,555

Other Instructional Activities

Pupil Support Activities	2,107,601	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Activities		2,107,601

Instructional Staff Services	2,338,328	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		2,338,328

School Administration	2,886,142	
Less: Equipment for School Administration	-	
Net School Administration		2,886,142

Total General Fund Instructional Expenditures \$ 29,715,484

Total General Fund Equipment Expenditures \$ -

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 1,566,058
Renewable Ad Valorem Tax	12,146,734
Debt Service Ad Valorem Tax	3,878,920
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	431,043
Sales and Use Taxes	12,736,822
Total Local Taxation Revenue	<u><u>\$ 30,759,577</u></u>

Local Earnings on Investment in Real Property

Earnings from 16th Section Property	\$ 808
Earnings from Other Real Property	-

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 36,833
Revenue Sharing - Other Taxes	51,502
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u><u>\$ 88,335</u></u>

Nonpublic Textbook Revenue \$ 6,009

Nonpublic Transportation Revenue \$ 44,682

Schedule B

**ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA**

**Education Levels of Public School Staff
As of October 1, 2009
For the Year Ended June 30, 2010**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1	0.31%	2	13.33%	0	0.00%	0	0.00%
Bachelor's Degree	221	69.28%	9	60.00%	0	0.00%	0	0.00%
Master's Degree	70	21.94%	4	26.67%	7	35.00%	0	0.00%
Master's Degree + 30	25	7.84%	0	0.00%	12	60.00%	0	0.00%
Specialist in Education	2	0.63%	0	0.00%	1	5.00%	0	0.00%
Ph. D. or Ed. D.	-	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	319	100.00%	15	100.00%	20	100.00%	0	0.00%

Schedule C

**ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA**

**Number and Type of Public Schools
For the Year Ended June 30, 2010**

Type	Number
Elementary	8
Middle/Jr. High	0
Secondary	0
Combination	2
Total	10

Note: Schools opened or closed during the fiscal year are included in this schedule.

Schedule D**ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA**

**Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers
As of October 1, 2009
For the Year Ended June 30, 2010**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	0	2	1	4	3	10
Principals	0	0	1	0	1	2	6	10
Classroom Teachers	45	36	106	40	28	27	52	334
Total	45	36	107	42	30	33	61	354

Schedule E

ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANAPublic School Staff Data: Average Salaries
For the Year Ended June 30, 2010

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers Salary Including Extra Compensation	\$ 52,000	\$ 52,249
Average Classroom Teachers Salary Excluding Extra Compensation	\$ 50,552	\$ 50,714
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	326	293

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers; some teachers may have been flagged as receiving reduced salaries (e.g., extended medical leave); and ROTC teachers usually receive more compensation because of a federal supplement. For these reasons, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes, temporary employees, and any teachers on sabbatical leave during any part of the school year.

Schedule F

**ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA**

**Class Size Characteristics
As of October 1, 2009
For the Year Ended June 30, 2010**

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	86.6%	817	12.9%	122	0.4%	4	0.0%	0
Elementary Activity Classes	86.6%	123	12.0%	17	1.4%	2	0.0%	0
High	76.7%	716	21.1%	197	2.0%	19	0.2%	2
High Activity Classes	93.3%	126	3.7%	5	3.0%	4	0.0%	0
Combination	100.0%	130	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	100.0%	1	0.0%	0	0.0%	0	0.0%	0

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

Schedule G

ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANALouisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2010

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	7	2.45%	10	3.32%	12	4.33%	13	4.53%	4	1.33%	11	3.97%
Mastery	50	17.48%	63	20.93%	43	15.52%	60	20.91%	39	12.98%	52	18.77%
Basic	154	53.85%	168	55.81%	143	51.62%	125	43.55%	158	52.49%	128	46.21%
Approaching Basic	51	17.83%	48	15.95%	58	20.94%	55	19.16%	59	19.80%	50	18.05%
Unsatisfactory	24	8.39%	12	3.99%	21	7.58%	34	11.85%	41	13.62%	36	13.00%
Total	286	100.00%	301	100.00%	277	100.00%	287	100.00%	301	100.00%	277	100.00%

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	8	2.76%	19	6.31%	5	1.81%	4	1.38%	5	1.66%	3	1.08%
Mastery	38	13.10%	39	12.96%	46	16.61%	56	19.31%	44	14.62%	40	14.44%
Basic	155	53.45%	139	46.18%	128	46.21%	155	53.45%	165	54.82%	138	50.18%
Approaching Basic	68	23.45%	81	26.91%	73	26.35%	52	17.93%	68	21.93%	55	19.86%
Unsatisfactory	21	7.24%	23	7.64%	25	9.03%	23	7.93%	21	6.98%	40	14.44%
Total	290	100.00%	301	100.00%	277	100.00%	290	100.00%	301	100.00%	277	100.00%

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	10	3.15%	4	1.20%	3	0.96%	15	4.73%	32	9.87%	9	2.88%
Mastery	32	10.08%	44	13.25%	25	8.01%	15	4.73%	21	6.34%	15	4.81%
Basic	137	43.22%	146	43.98%	127	40.71%	149	47.00%	141	42.80%	160	51.28%
Approaching Basic	108	34.07%	93	28.01%	115	36.86%	88	27.76%	72	21.75%	80	25.64%
Unsatisfactory	30	9.46%	45	13.55%	42	13.46%	50	15.77%	65	19.64%	48	15.38%
Total	317	100.00%	332	100.00%	312	100.00%	317	100.00%	331	100.00%	312	100.00%

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	3	0.93%	9	2.72%	8	2.58%	0	0.00%	3	0.91%	1	0.32%
Mastery	18	5.57%	42	12.69%	44	14.19%	17	5.25%	22	6.65%	8	2.59%
Basic	121	37.48%	120	36.25%	114	36.77%	135	41.67%	129	38.97%	138	44.66%
Approaching Basic	128	39.83%	99	29.91%	77	24.84%	103	31.79%	98	29.81%	96	31.07%
Unsatisfactory	53	16.41%	61	18.43%	67	21.61%	69	21.30%	79	23.87%	86	21.36%
Total	323	100.00%	331	100.00%	310	100.00%	324	100.00%	331	100.00%	309	100.00%

Schedule H

**ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA**

**Graduation Exit Examination (GEE)
For the Year Ended June 30, 2010**

District Achievement Level Results	English Language Arts						Mathematics					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	1	0.41%	3	1.05%	3	1.26%	33	13.75%	40	14.04%	42	17.65%
Mastery	28	11.57%	33	11.54%	27	11.34%	49	20.42%	50	17.54%	56	23.53%
Basic	121	50.00%	149	52.10%	126	52.94%	108	45.00%	146	51.23%	102	42.86%
Approaching Basic	62	25.62%	79	27.62%	47	19.75%	31	12.92%	29	10.18%	21	8.82%
Unsatisfactory	30	12.40%	22	7.69%	35	14.71%	19	7.92%	20	7.02%	17	7.14%
Total	242	100.00%	288	100.00%	238	100.00%	240	100.00%	285	100.00%	238	100.00%

District Achievement Level Results	Science						Social Studies					
	2010		2009		2008		2010		2009		2008	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	4	1.57%	10	4.67%	5	1.93%	2	0.79%	2	0.93%	1	0.39%
Mastery	32	12.60%	45	21.03%	34	13.13%	14	5.51%	15	7.01%	17	6.56%
Basic	112	44.09%	99	46.26%	123	47.49%	142	55.91%	139	64.95%	152	58.69%
Approaching Basic	68	26.77%	47	21.96%	69	26.64%	49	19.29%	42	19.63%	58	22.39%
Unsatisfactory	38	14.96%	13	6.07%	28	10.81%	47	18.50%	16	7.48%	31	11.97%
Total	254	100.00%	214	100.00%	259	100.00%	254	100.00%	214	100.00%	259	100.00%

Schedule I

ST. JAMES PARISH SCHOOL BOARD
LUTCHER, LOUISIANA/Leap Tests
For the Year Ended June 30, 2010

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2008		2008		2008		2008	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3									
Advanced		5	1.8%	6	2.2%	2	0.7%	5	1.8%
Mastery		51	18.4%	37	13.4%	35	12.7%	41	14.9%
Basic		145	52.3%	139	50.2%	120	43.5%	152	55.1%
Approaching Basic		60	21.7%	65	23.5%	88	31.9%	57	20.7%
Unsatisfactory		16	5.8%	30	10.8%	31	11.2%	21	7.6%
Total		277	100.0%	277	100.0%	276	100.0%	276	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2008		2008		2008		2008	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5									
Advanced		4	3.0%	8	6.0%	2	0.0%	5	3.0%
Mastery		31	12.0%	19	8.0%	19	9.0%	22	5.0%
Basic		122	47.0%	126	44.0%	114	37.0%	131	53.0%
Approaching Basic		69	26.0%	52	25.0%	99	40.0%	71	25.0%
Unsatisfactory		33	12.0%	54	17.0%	25	14.0%	30	14.0%
Total		259	100.0%	259	100.0%	259	100.0%	259	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2008		2008		2008		2008	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6									
Advanced		2	2.0%	18	5.0%	2	1.0%	3	1.0%
Mastery		32	10.0%	23	13.0%	23	10.0%	15	4.0%
Basic		154	45.0%	130	47.0%	143	45.0%	132	40.0%
Approaching Basic		57	32.0%	65	19.0%	84	29.0%	84	35.0%
Unsatisfactory		24	11.0%	33	16.0%	17	15.0%	35	20.0%
Total		269	100.0%	269	100.0%	269	100.0%	269	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2008		2008		2008		2008	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7									
Advanced		9	0.0%	12	3.0%	3	1.0%	1	0.0%
Mastery		29	9.0%	22	7.0%	21	8.0%	21	7.0%
Basic		140	48.0%	157	52.0%	138	45.0%	152	49.0%
Approaching Basic		102	28.0%	64	21.0%	95	29.0%	68	26.0%
Unsatisfactory		33	15.0%	58	17.0%	58	17.0%	71	18.0%
Total		313	100.0%	313	100.0%	313	100.0%	313	100.0%

District Achievement Results	Level	English Language Arts		Mathematics	
		2008		2008	
		Number	Percent	Number	Percent
Grade 9					
Advanced		1	0.0%	17	6.0%
Mastery		20	9.0%	32	19.0%
Basic		170	62.0%	183	50.0%
Approaching Basic		81	23.0%	38	16.0%
Unsatisfactory		20	6.0%	23	9.0%
Total		292	100.0%	293	100.0%

iLEAP Tests (continued)

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2009		2009		2009		2009	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3									
Advanced		7	2.5%	14	5.1%	14	5.1%	3	1.1%
Mastery		56	20.2%	40	14.4%	55	19.9%	58	21.0%
Basic		146	52.7%	138	49.8%	127	46.0%	139	50.4%
Approaching Basic		59	21.3%	64	23.1%	69	25.0%	60	21.7%
Unsatisfactory		16	5.8%	28	10.1%	17	6.2%	21	7.6%
Total		284	102.5%	284	102.5%	282	102.2%	281	101.8%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2009		2009		2009		2009	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5									
Advanced		1	3.0%	11	6.0%	6	0.0%	1	3.0%
Mastery		28	12.0%	24	8.0%	34	9.0%	23	5.0%
Basic		125	47.0%	116	44.0%	102	37.0%	115	53.0%
Approaching Basic		59	26.0%	47	25.0%	80	40.0%	74	25.0%
Unsatisfactory		29	12.0%	44	17.0%	19	14.0%	28	14.0%
Total		242	100.0%	242	100.0%	241	100.0%	241	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2009		2009		2009		2009	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6									
Advanced		1	2.0%	8	5.0%	0	1.0%	8	1.0%
Mastery		27	10.0%	36	13.0%	16	10.0%	12	4.0%
Basic		153	45.0%	138	47.0%	125	45.0%	139	40.0%
Approaching Basic		60	32.0%	43	19.0%	90	29.0%	76	35.0%
Unsatisfactory		20	11.0%	36	16.0%	30	15.0%	26	20.0%
Total		261	100.0%	261	100.0%	261	100.0%	261	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2009		2009		2009		2009	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7									
Advanced		5	0.0%	19	3.0%	3	1.0%	1	0.0%
Mastery		34	9.0%	26	7.0%	27	8.0%	29	7.0%
Basic		146	48.0%	148	52.0%	125	45.0%	142	49.0%
Approaching Basic		65	28.0%	66	21.0%	99	29.0%	73	26.0%
Unsatisfactory		35	15.0%	27	17.0%	29	17.0%	38	18.0%
Total		285	100.0%	286	100.0%	283	100.0%	283	100.0%

District Achievement Results	Level	English Language Arts		Mathematics	
		2009		2009	
Students		Number	Percent	Number	Percent
Grade 9					
Advanced		1	0.0%	11	6.0%
Mastery		15	9.0%	31	19.0%
Basic		142	62.0%	142	50.0%
Approaching Basic		82	23.0%	55	16.0%
Unsatisfactory		23	6.0%	23	9.0%
Total		263	100.0%	262	100.0%

iLEAP Tests (continued)

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2010		2010		2010		2010	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3									
Advanced		10	3.6%	8	2.9%	10	3.6%	3	1.1%
Mastery		60	21.7%	46	16.6%	44	15.9%	48	17.4%
Basic		138	49.8%	138	49.8%	141	51.1%	145	52.5%
Approaching Basic		44	15.9%	54	19.5%	70	25.4%	55	19.9%
Unsatisfactory		26	9.4%	32	11.6%	13	4.7%	26	9.4%
Total		278	100.4%	278	100.4%	278	100.7%	277	100.4%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2010		2010		2010		2010	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5									
Advanced		4	3.0%	16	6.0%	6	0.0%	8	3.0%
Mastery		38	12.0%	41	8.0%	39	9.0%	38	5.0%
Basic		128	47.0%	122	44.0%	121	37.0%	141	53.0%
Approaching Basic		73	26.0%	44	25.0%	75	40.0%	44	25.0%
Unsatisfactory		14	12.0%	35	17.0%	17	14.0%	27	14.0%
Total		257	100.0%	258	100.0%	258	100.0%	258	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2010		2010		2010		2010	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6									
Advanced		6	2.0%	14	5.0%	3	1.0%	11	1.0%
Mastery		49	10.0%	43	13.0%	46	10.0%	32	4.0%
Basic		134	45.0%	112	47.0%	108	45.0%	113	40.0%
Approaching Basic		49	32.0%	58	19.0%	84	29.0%	63	35.0%
Unsatisfactory		13	11.0%	25	16.0%	12	15.0%	34	20.0%
Total		251	100.0%	252	100.0%	253	100.0%	253	100.0%

District Achievement Results	Level	English Language Arts		Mathematics		Science		Social Studies	
		2010		2010		2010		2010	
Students		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7									
Advanced		5	0.0%	5	3.0%	2	1.0%	2	0.0%
Mastery		30	9.0%	21	7.0%	27	8.0%	17	7.0%
Basic		124	48.0%	144	52.0%	111	45.0%	138	49.0%
Approaching Basic		83	28.0%	54	21.0%	92	29.0%	70	26.0%
Unsatisfactory		20	15.0%	37	17.0%	29	17.0%	34	18.0%
Total		262	100.0%	251	100.0%	261	100.0%	261	100.0%

District Achievement Results	Level	English Language Arts		Mathematics	
		2010		2010	
Students		Number	Percent	Number	Percent
Grade 9					
Advanced		1	0.0%	21	6.0%
Mastery		32	9.0%	34	19.0%
Basic		140	62.0%	144	50.0%
Approaching Basic		89	23.0%	59	16.0%
Unsatisfactory		27	6.0%	30	9.0%
Total		289	100.0%	288	100.0%



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January 6, 2011

To the Members of the
St. James Parish School Board
Lutcher, Louisiana

In planning and performing our audit of the financial statements of St. James Parish School Board (School Board) as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered St. James Parish School Board's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control.

However, during our audit we became aware of a matter that is an opportunity for strengthening internal controls and operating efficiency. (We previously reported on the School Board's internal control in our reported dated January 6, 2011.) This letter does not affect our report dated January 6, 2011, on the financial statement of St. James Parish School Board.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various School Board personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. The following is a description of items that were of such significance to comment in a formal management letter.

USER/SYSTEM ACCESS PROCEDURES

Finding: The School Board currently has multiple employees which have access to post journal entries to the general ledger, and modify pay rates, vacation, and sick accruals.

Recommendation: The School Board should conduct a review of employees who have access to perform these functions and limit the access only to those who need it to perform their job responsibilities.

This information is intended solely for the use of the Board Members and management of the St. James Parish School Board and should not be intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Sincerely,

Postlethwaite & Netterville

Postlethwaite & Netterville



St. James Parish School Board

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LUTCHER, LOUISIANA 70071

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President

GEORGE N. NASSAR, JR.
Vice President

ALONZO R. LUCE, PH.D.
Superintendent

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O & M
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SCHOOL FOOD SERVICES
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TITLE 1
Fax (225) 869-1060

CORRECTIVE ACTION PLAN

January 6, 2011

Louisiana Legislative Auditor

St. James Parish School Board respectfully submits the following corrective action plan for the year ended June 30, 2010.

Name and address of independent public accounting firm: Postlethwaite & Netterville, APAC
326 E. Cornerview
Gonzales, LA 70737

Audit period: July 1, 2009 – June 30, 2010

The findings from the January 6, 2011 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

2010-01 Internal control over general ledger reconciling and reviewing

Recommendation Management should establish procedures to assign an independent individual to review and monitor all reconciliations of the general ledger to ensure they are complete, accurate, and prepared on a timely basis.

Action taken Management will establish such a system as recommended above.

2010-02 Allowable Costs

Recommendation Procedures need to be established to ensure that payroll cost reports agree to employee time and effort distribution records on a monthly basis.

Action taken Management will appoint an individual independent of the payroll process to review and reconcile monthly payroll reports to the employee time and attendance records of time distribution as authorized by approved project grant budgets.

2010-03 Suspension and Debarment

Recommendation Procedures need to be established to verify if a vendor is suspended or debarred by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

DIANA CANTILLO District 1 165 N. Pine St. Gramercy, LA 70052	KENNETH J. FORET, SR. District 2 1176 DeSoto Street Lutcher, LA 70071	CAROL C. LAMBERT District 3 3584 Geismar Street Paulina, LA 70763	GEORGE N. NASSAR, JR. District 4 5390 Canatella Street Convent, LA 70723	PATRICIA SCHEXNAYDER District 5 P.O. Box 332 St. James, LA 70086	CHARLES T. NAILOR, SR. District 6 P.O. Box 1235 Vacherie, LA 70090	RICHARD G. REULET, JR. District 7 23185 Reulet Road Vacherie, LA 70090
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Action taken Management will appoint an individual independent of the purchasing process to review and approve Suspension and Debarment verification processes and procedures that are initiated at the purchase authorization level. In addition to reviewing and approving purchase authorization level processes, this individual will confirm on a monthly basis that all vendors paid in excess of \$25,000 for the current fiscal year have been properly vetted.

2010-04 Report Submission

Recommendation An individual should be designated to ensure that reporting packages and data collection forms are submitted to the FAC the earlier of 30 days after the reports are received from the auditor or nine months after year end.

Action taken An individual has been designated to ensure such report submissions.

FINDINGS AND QUESTIONED COSTS – MANAGEMENT LETTER

User/System Access Procedures

Recommendation The School Board should conduct a review of employees who have access to perform these functions and limit the access only to those who need it to perform their job responsibilities.

Action taken The School Board will conduct such a review to determine user and system access needs and will modify current accesses as necessary. Additionally, one individual will be assigned the responsibility for any user and system access changes after the initial review.

FINDINGS – AGREED UPON PROCEDURES

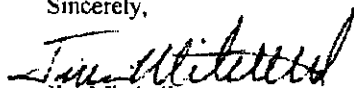
Class Size Characteristics (Procedure 9)

Recommendation The School Board should design procedures that will allow teachers and school administrators the ability to collect and send data from the School sites to the Central Office in a timely manner.

Action taken Such procedures will be implemented by the School Board to ensure the timely collection of data from school sites as per the recommendation above.

If the Louisiana Legislative Auditor has questions regarding this plan, please call Jim Mitchell at (225) 258-4520.

Sincerely,



Jim Mitchell

Administrative Director of Business Operations